

YOUR
LOGO
HERE

FUNDING YOUR BUY-SELL AGREEMENT

A properly drafted buy-sell agreement is vital to the future of your business. It can help keep your business vision a reality even after you, or another owner, are no longer around. The buy-sell agreement helps avoid conflict between those who want ownership, and can establish the value of your business for federal estate tax purposes.

TWO COMMON OPTIONS

CROSS PURCHASE

Surviving owners are obligated to buy the ownership interest of a deceased owner according to specified terms. These agreements are especially useful with a small number of business owners.

ENTITY PURCHASE

This agreement obligates the business to purchase the deceased's ownership interest from his or her estate according to specified terms. This arrangement is typically favored in a numerous owners business.

Regardless of which one is right for you, both of these require the necessary funding to allow these to be successful.

There are several funding options, however choosing **Life Insurance** as the funding source has many benefits & advantages.

1
Death benefit ensures immediate availability of funding and proceeds are generally free from federal income tax.

2
Cash value in the policy may provide funding for other buyout options during an owner's lifetime.

3
Provides immediate liquidity for an estate by converting the ownership interest in the business into cash.

AGENCY CONTACT INFORMATION