



Buy Sell for Business Owners

What will happen to your business if you or a business partner dies or becomes disabled?

What will happen to your family if you are no longer able to work in your business due to a disability or premature death – will they still be able to benefit from cash flow from your business?

Many businesses are not prepared to survive following one of these potential events. Many families are not adequately protected. A business succession strategy using a properly structured buy-sell agreement can help you protect your family and the business you have worked so hard to create.

Eliminate potential problems or issues before they arise.

A buy-sell agreement may:

- Provide liquidity for your family
- Create a guaranteed market for your business interest
- Allow those who are interested in continuing your business to do so without interference
- Set the purchase price and terms of payment in advance
- Establish the value of your business for federal tax purposes
- Specify how the transfer will be funded
- Improve access to credit
- Provide greater retirement security

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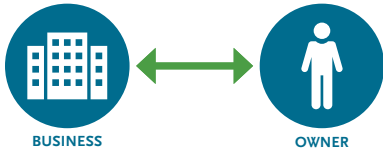
Guarantees are dependent upon the claims-paying ability of the issuing company.

Can you afford to be without a buy-sell agreement in place?

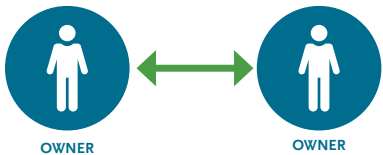
You have options

There are different types of buy-sell agreements, which type is right for you will depend on how your company is set up, how many owners there are, what your cash flow may be.

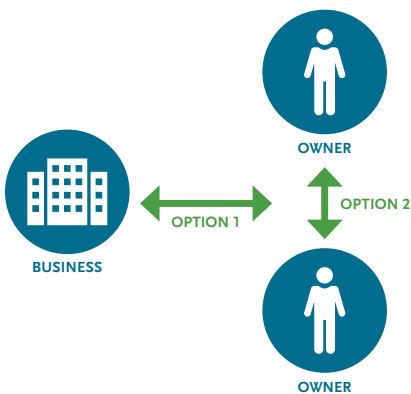
Common types of buy-sell agreements



Entity – In an Entity buyout the business purchases the business interest from the selling owner.



Cross Purchase – Using a Cross Purchase buyout, the co-owners purchase the business interest from the selling owner.



Wait and See – Wait and See combines at least two options. The first is for the business to purchase the business interest. If the business doesn't or can't make the purchase, the co-owners will then have the purchase option.

Each type of plan has its own unique features and benefits. Does it sound complicated? Don't worry – it's really not. Our role is to understand your goals and objectives and work with you and your other advisors to design a plan that is right for you, including the appropriate funding options.

Don't Procrastinate

Don't leave the future of your business to chance, plan today for your business to survive if you were to experience a triggering event such as death, disability, or retirement.

Buy-sell planning should be a vital part of your business operating plan and your family's financial security.