

BUSINESS PROFILE

Protect your client's business from the unexpected

Lifecycle buy-sell

Your sales opportunity

Business owner(s) wishing to protect the value of their business in the face of unforeseen events:

- Downturn in revenue
- Disability of an owner
- Departure of an owner
- Death of an owner

Solution: lifecycle buy-sell

A **lifecycle buy-sell arrangement** is an agreement that can ensure the smooth transition of business ownership in the face of the loss or disability of a business owner.

Four valuable features

A lifecycle buy-sell is funded through a permanent, cash value life insurance policy and offers several distinct benefits:

1. Policy values can be accessed to assist the business during revenue downturn.
2. Policy values can help cover the buyout costs triggered by a disability.
3. Policy values can help buy out a departing partner's interest.
4. Policy death benefit can be used to fund the buyout of a deceased partner's interests.

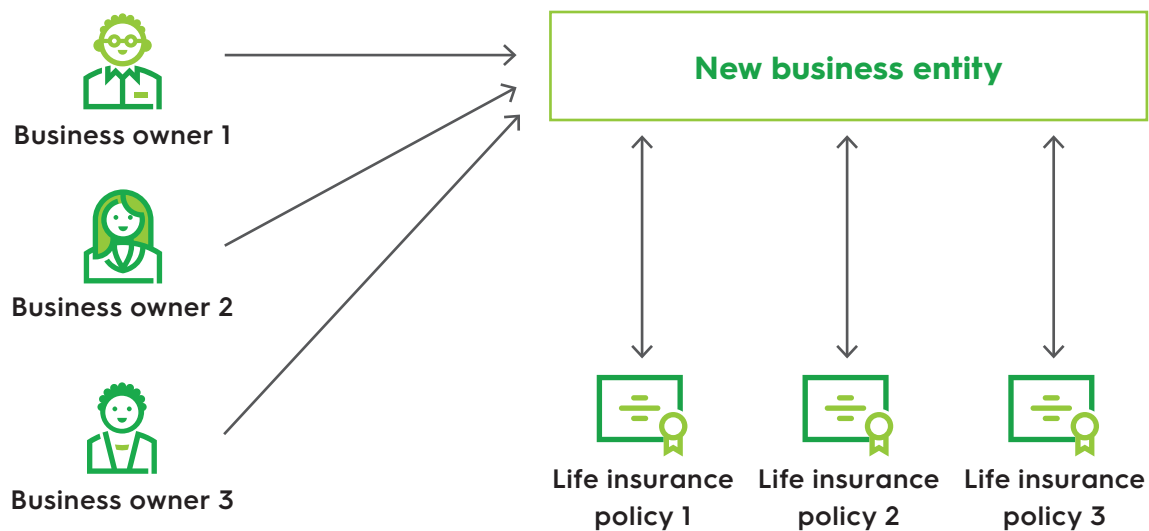
Target client

Businesses with the following characteristics:

- Three or more owners
- Organized as an S corporation, C corporation, LLC or partnership
- More than one business entity

How does a lifecycle buy-sell strategy work?

- Business owners create a new business entity to own life insurance policies on each of their lives¹
- Owners contribute money each year to the new entity to pay the life insurance premiums
- In the event of a buyout trigger, policy values or death benefits can be used to fund the buyout





Learn more

Do you have business owner clients who could benefit from a lifecycle buy-sell arrangement to help protect their business? We can help - call our Advanced Sales Team today: **1-888-413-7860**, option 3.

1. Employer-owned life insurance is subject to the notice and consent rules for employer-owned life insurance - IRS Sec. 101(j). Failure to comply with those rules will subject the death benefit to taxation.

Life insurance products contain fees, such as mortality and expense charges (which may increase over time), and may contain restrictions, such as surrender periods.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

Policy loans and withdrawals may create an adverse tax result in the event of a lapse or policy surrender, and will reduce both the surrender value and death benefit. Withdrawals may be subject to taxation within the first 15 years of the contract. Policy owners should consult their tax advisor when considering taking a policy loan or withdrawal.

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F71834-130 Rev 5-2022 DOFU 5-2022
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