

Buy-Sell Owner(s)/Corp. Protection Plan

The primary purpose of Buy-Sell agreements is to protect the business owner(s) investment in the business. Typically an insurance policy is put in place for each business owner so that in the event of loss of life of a business owner, his investment portion plus a share of the business value at the time of death is returned to the family of the deceased in the form of a death benefit award. This type of agreement is a legal document that protects the business against a financial loss and provides for the business to continue under new ownership or as a reorganized business entity. Premiums paid for a life insurance policy of this type are tax deductible for the business. Freedom Financial Services will provide a generic Buy-Sell agreement upon request. Other information on buy/sell agreements can also be accessed via this website under "Resources....Articles/Risk Management".