

# SIX WAYS LIFE INSURANCE CAN HELP PROTECT YOU AND YOUR BUSINESS



As someone who wants to protect their business, employees, and loved ones, it's time to talk to your team of advisors about how life insurance may fit into your holistic financial plan.

Here are six ways life insurance can work for your business:

## Strive to protect your family's financial future



If something were to happen to you, life insurance can provide your family with a tax-free death benefit to help cover outstanding debts, such as mortgages, car loans, and credit cards, as well as living expenses, like food, utilities, and health care.

## Fund a buy-sell agreement



A buy-sell agreement is a critical document that can help ensure business continuity, prevent disputes among owners, and set a fair price for a buyout in the event of death or disability. Life insurance can efficiently fund a buy-sell agreement by providing a reliable source of funds at a cost-effective price that can be received relatively quickly. If you have an existing buy-sell plan, a recent Supreme Court decision could have an impact on your plan, so now is the time to review it.\*

## Effectively secure the future of your business



Are there employees or other co-owners in your business whose passing could have a devastating impact on your business? Purchasing a life insurance policy on a key employee can help ensure your business has funds to support itself while you find, hire, and train a successor for these important roles.

### INVESTMENT AND INSURANCE PRODUCTS ARE:

- NOT FDIC INSURED
- NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
- NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, ANY BANK OR ITS AFFILIATES
- SUBJECT TO INVESTMENT RISKS INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED



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## Attract and retain top talent



Life insurance as a benefit can be one part of a competitive compensation package when you're recruiting, as well as a reason your key employees choose to stay. Strategies involving life insurance can be easy to implement, allow you to target specific individuals, and offer flexible designs for the ups and downs of business.

## Equalize an inheritance among your loved ones



Your plan may be to leave the business to one of your children, but that might mean there's not much else to leave your other children or even your spouse, if you predecease them. A life insurance policy can be used to create an inheritance for those not involved in the business, helping to equalize the wealth the different members of your family receive.

## Supplement your retirement income



You need a plan to help maintain your lifestyle in retirement. This can be difficult if most of your assets are tied up in the business and you're relying on it to be valued at a certain amount the exact moment you're retiring. A cash accumulation life insurance policy can address two needs at once by providing death benefit protection for your family if you die unexpectedly while also creating a potential source of supplemental income for your retirement.



**Talk to your financial professional today to explore how life insurance can help address your unique needs as a business owner.**



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\* *Connelly v. United States*, 602 U.S. \_\_\_\_ (2024).

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