



Your Dream Restaurant is a Success.

Without a Buy Sell Agreement in Place, You May Have to Close Your Doors.

John and Bill dreamed of opening a rustic Italian restaurant in their hometown of Portland. After years of hard work, their investment pays off. Their restaurant has become well established and a local favorite. They are enjoying their success until tragedy strikes suddenly and Bill passes away from a heart attack. What follows is a hard lesson in how not properly planning today can affect the future of your business.

Bill's shares were inherited by his wife Ann via his Will and, because there was no Buy Sell Agreement in place, Ann was not obliged to sell the shares to John and John is not obliged to buy the shares from Ann. Furthermore:

- There was no agreed price or timeframe for the transfer of Bill's shares.
- There was no insurance in place to enable John to buy the shares, and
- John doesn't have enough funds to buy out Ann and doesn't have the capacity to borrow the money.

To further complicate matters, Ann is entitled to the same management rights and share of profits as her deceased husband, while John is doing 100% of the work and receiving only 50% of the profits.

This outcome could have been avoided if they had consulted a financial advisor and executed a Buy Sell Agreement funded by life insurance. By using this strategy, Ann would have received the insurance proceeds in exchange for handing over her interest to John.

As a result, Ann would have been fully compensated, while John would have taken ownership of 100% of the business and received 100% of the profits.

Protect the business that is so important to you. Call us today and we can help!

Call Us Today!

800.422.7536



CBIZ Life Insurance Solutions