

BUY-SELL DISABILITY Case Summary

Client

Two partners starting a new business venture.

Challenges

The partners lack Long Term Disability coverage to fund a Buy-Sell Agreement, and the new business has insufficient revenue history to pass standard disability insurance financial underwriting.

Assessment

The partners should focus all life and disability policies with a single insurance carrier that will waive financial underwriting in exchange for multiple lines of business.

Action

Using an insurer that focuses on small businesses, the partners replaced their existing Term Life plans and added Specialized Lump Sum Disability in a Cross-Purchase Agreement, with each partner as the owner and beneficiary of the other's coverage.

Outcome

The partners' fully funded Buy-Sell Agreement protects their business' future and makes it more attractive to lenders and investors. As the partnership grows, Ancillary Specialists will adjust the life and disability coverage and help it protect its Human Capital.

Call 717-796-1565 or email info@ancillaryspecialists.com for more information.