

Business Planning

Entity-Purchase Buy-Sell Agreement

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ENTITY-PURCHASE BUY-SELL AGREEMENT



Business Owners

1. Each business owner is party to a buy-sell agreement with the business.



 The business gives the employee notice that it intends to buy life insurance on the employee and obtains the employee's written consent. The business pays premiums to the insurance company for life insurance policies insuring each owner.

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- When an owner dies, the business, as owner and beneficiary of the policy on the deceased owner's life, receives the death benefits.
 - 4. The business uses the life insurance proceeds to help purchase the deceased owner's business interest from his or her estate.



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WIDGETS, INC.

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