



**PLANNING
FOR YOUR
BUSINESS**



**SOUTHERN FARM BUREAU
LIFE INSURANCE COMPANY**
Jackson, MS





You work hard each day completing tasks to keep your business on the right track, making decisions that affect not only the business's future, but also yours and your family's future. These decisions will also have a major impact on your employees. Taking the time to plan for the unforeseen and ultimate business transition to others inside or outside the family are important tasks that should be completed now and reviewed often. Lack of planning for your business could lead to devastating results.

What Would Happen to Your Business if You Were to Die Today?

When developing a succession plan for your business you must make several decisions now that will become effective at your death. Should you transfer ownership of your business to family members, business partners, employees or some outside party? Will your business be sold? How will the selling price be determined?

Does Your Business Have Key Employees?

Many businesses have employees who make a significant contribution to the business, have special skills or other expertise that benefit the business. These employees are keys to the success of the business. Business plans should include protection in the event of the death of the key employee. Will your business suffer in the event of this loss? How long will it take to find, hire and train someone to fill this key role?

Do You Want to Retain and Reward Certain Key Employees?

A principal challenge many businesses face is to attract, motivate and retain key employees. This can be accomplished by providing Executive Bonus Plans to these key employees.

Answering these questions now and reviewing them often will be a key in developing and maintaining the best plan for your circumstances, objectives and the future of your business. Farm Bureau Agents and Estate Planners are professionally trained to assist you as you make plans for your business. Take advantage of these services and protect yourself, your heirs, your business and those who help make it successful.

BUSINESS SUCCESSION PLANNING UTILIZING A PROPERLY FUNDED BUY-SELL AGREEMENT

A Buy-Sell Agreement is a legally binding contract that establishes when, to whom, and at what price the business will be sold. This can help avoid the disruption of the business operation at the death of the owner, protect the heirs left behind and create a smooth transition of the business ownership. Life insurance is a great way to fund Buy-Sell Agreements and is typically arranged at the time the agreement is executed.



KEY EMPLOYEE INSURANCE

A life insurance policy that is owned by the business on the life of a key employee can provide the needed dollars to protect the business in the event of the death of the key employee.



EXECUTIVE BONUS PLANS

These plans can be flexible and are easy to design. A written Executive Bonus Plan can provide for bonus specifics that protect both the business and the key employee. It can also strengthen the connection between the business and the key employee. These plans may also provide tax* advantages to the business.

**Consult your tax advisor for tax implications.*

