



ABN 62 317 893 800

COMPARING THE BENEFITS OF BUSINESS SUCCESION AGREEMENTS (WHAT IS THE BUSINESS GETTING FOR ITS MONEY?)

Benefit	Standard IGS Business Insurance Trust Agreement	Standard IGS Self-Ownership Buy/Sell Agreement	Alternative Business Succession Agreement
Death Provisions	\checkmark	✓	
TPD Provisions	✓	✓	
Trauma Provisions	✓	✓	
Terminal Illness Provisions	✓	✓	
Retirement Provisions	✓	✓	
Pre-Agreed Sale Price	✓	✓	
Sale Price Paid to Actual Owner (if not Life Insured)	✓	×	
Vendor Finance Provisions	\checkmark	✓	
Super Buy/Sell Provisions	✓	✓	
Debt Reduction Cover	✓	*	
Avoids CGT on Non-Death Debt Reduction Cover	✓	*	
Avoids loan owing by Business to Estate	✓	×	
Substitute Loan from Continuing Proprietors to Debtor (Avoids lack of franking credits on dividend issue)	✓	×	
Other Key Person Cover	✓	×	
Security of Trustee	✓	*	
ATO Opinion	✓	×	
Single Beneficiary for CGT Purposes	✓	✓	
Single Policy Succession Plan	✓	*	
Ability to reallocate Personal Cover to Purchase Price	✓	√	
Ability to reallocate Key Person Cover to Purchase Price	√	×	
Reduces Policy Fees	✓	×	
Reduces Premiums	\checkmark	*	
Fixed Legal Fees on Initial Agreement	✓	✓	
Fixed Legal Fees on Variation Agreement	✓	√	

