

# Life insurance and buy-sell agreements

Allianz Life Insurance Company of North America



## Give your clients life insurance that can protect their business, too.

Buy-sell agreements can accomplish many things, but are primarily used to ensure the continuation of a business after an event such as death or retirement.

When life insurance is used to fund a buy-sell agreement, it provides a sum of money upon the death of one of the business partners that can be used to buy the business interest from their family or estate.

### Consider recommending GenDex Survivor® from Allianz.

With GenDex Survivor, you can insure two business partners on one life insurance policy. If the First-to-Die Rider<sup>1</sup> is added, the policy will pay a death benefit upon the death of the first business partner. Or, if the business dissolves, the business partners can use the policy split option to split their policy down the middle.

### Hypothetical example (not actual Allianz clients)

Jeff and Tony, who are both 40 and healthy, are business partners. They each own 50% of their business and have a buy-sell agreement in place. Jeff and Tony want to protect their business in case an unexpected death should occur, so they buy a GenDex Survivor life insurance policy to fund the agreement.

#### Assumptions:

Age/gender	Two 40-year-old males
Risk class	Preferred Plus Nontobacco (for both lives)
Death benefit	\$500,000
Riders	First-to-Die Rider (\$500,000 for 25 years)
Target annual premium	\$3,529

In our hypothetical example, Jeff dies unexpectedly in a car accident at age 45. Because Jeff and Tony purchased the First-to-Die Rider, \$500,000 would be paid out to Tony. He could use the income-tax-free death benefit to purchase Jeff's share of the business from Jeff's beneficiaries, and become 100% owner of the business. Jeff's beneficiaries may be satisfied because they don't have to worry about running a business they know nothing about.

**Show your business-owner clients how GenDex Survivor can be an option for their business continuity planning. Call the Life Case Design Team at 800.950.7372 (press 1 for Sales Support, then 2 for Life) to learn more.**

<sup>1</sup>The cost of this optional rider is based on age, gender, risk class, and death benefit amount.

Please note that Allianz Life Insurance Company of North America, its affiliated companies, and their representatives do not give legal or tax advice. Encourage your clients to consult their tax advisor or attorney.

Guarantees are backed by the financial strength and claims-paying ability of Allianz Life Insurance Company of North America.

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