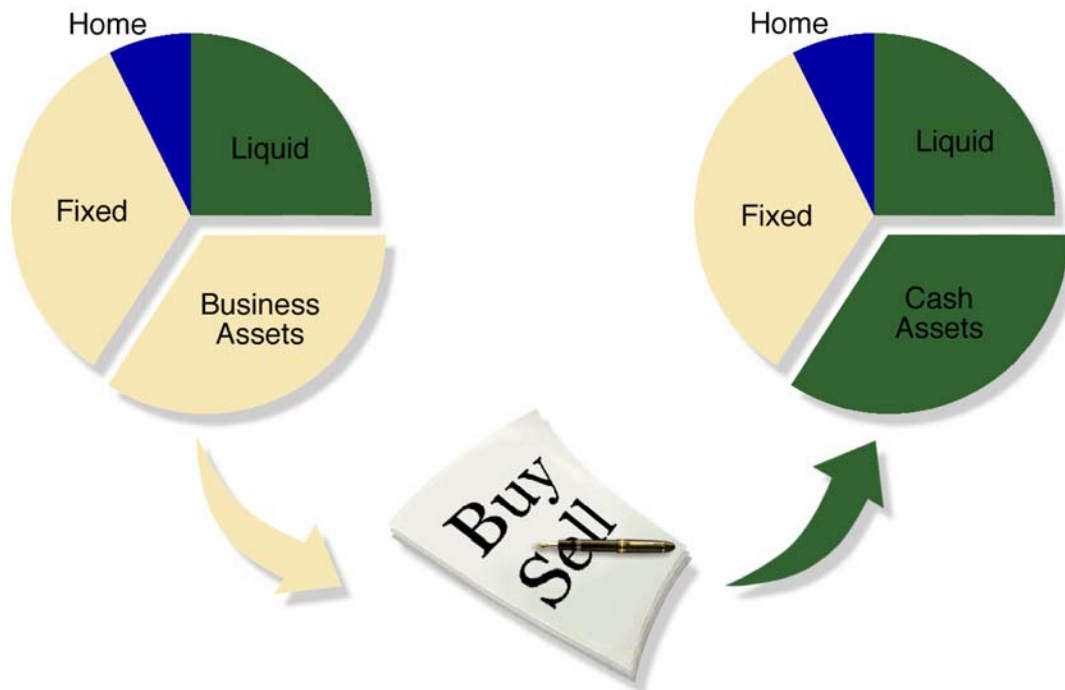


# Buy-Sell Agreements Provide Needed Cash

*Convert Business Interests to Cash*



**A Buy-Sell Agreement requires the executor to sell and the buyer to buy the decedent's business interests in accordance with a written agreement.**

A buy-sell agreement converts the decedent's business interests to liquid cash assets. Although this arrangement does not actually change the value of the estate, it changes the composition of the estate—it changes a business interest to a liquid asset. It may be a factor to be considered in determining the value of the business interest for estate tax purposes.

A buy-sell agreement can assure the continuation of the business by providing a buyer, and it can provide the estate with needed liquidity to pay estate taxes and expenses. These two benefits may be very beneficial to your estate settlement.

The buyer, typically a business partner or the business itself, usually purchases life insurance on your life. At your death the buyer receives the life insurance proceeds which are used to buy the business.