

COMPARING THE BENEFITS OF BUSINESS SUCCESSION 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	✓	✓	
TPD Provisions	✓	✓	
Trauma Provisions	✓	✓	
Terminal Illness Provisions	✓	✓	
Retirement Provisions	✓	✓	
Pre-Agreed Sale Price	✓	✓	
Sale Price Paid to Actual Owner (if not Life Insured)	✓	x	
Vendor Finance Provisions	✓	✓	
Super Buy/Sell Provisions	✓	✓	
Debt Reduction Cover	✓	x	
Avoids CGT on Non-Death Debt Reduction Cover	✓	x	
Avoids loan owing by Business to Estate	✓	x	
Substitute Loan from Continuing Proprietors to Debtor (Avoids lack of franking credits on dividend issue)	✓	x	
Other Key Person Cover	✓	x	
Security of Trustee	✓	x	
ATO Opinion	✓	x	
Single Beneficiary for CGT Purposes	✓	✓	
Single Policy Succession Plan	✓	x	
Ability to reallocate Personal Cover to Purchase Price	✓	✓	
Ability to reallocate Key Person Cover to Purchase Price	✓	x	
Reduces Policy Fees	✓	x	
Reduces Premiums	✓	x	
Fixed Legal Fees on Initial Agreement	✓	✓	
Fixed Legal Fees on Variation Agreement	✓	✓	