



# The need for business life insurance

Whether they have personal life insurance or not, most people understand the need for life insurance when it comes to protecting their family. The need for business life insurance, however, may not be as widely understood but the need is very real.

Simply put, business life insurance allows for the continuity of the business, or provides funds quickly to handle emergencies, support business succession, or help sell the business if needed.

## The three types of businesses



### Sole proprietor

- One person owns and operates the business
- No legal separation between owner and business
- Often referred to as a non-incorporated business



### Partnership

- Two or more individuals or corporations work together for profit
- Can be general or limited liability partnerships
- Ownership can be transferred or inherited



### Corporation

- Separate legal entity
- Owned by shareholders, managed by directors and officers
- Liability is limited to assets invested - Profits may be paid as dividends

## Purposes for business life insurance

Clients who purchase business life insurance from you usually also fall into one of the categories previously mentioned above. It is important to define the objectives for business insurance.



Understanding and securing the right business life insurance is important to help ensure continuity and stability of any business. Business life insurance protects against unexpected economic losses and provides surviving stakeholders the funds they need to cover urgent business expenses and plan for the future.

**To learn more, reach out to your ivari Sales Director.**

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