



October 2015

Tips and Strategies to Help Your Firm Succeed

As a business owner, you know how important it is to always plan ahead. Your business is going to change

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and it's crucial that you have plans in place to not only survive those changes, but actually thrive amongst them.

In this newsletter we included a detailed explanation of Buy-Sell Agreements and **how you can protect the ownership of your business** by choosing the right type.

If you have any questions, just ask. We're here to help.

Anthea Mumby & Douglas Punnett

We Can Help You With:

- Professional Liability
- Directors & Officers Liability
- Professional Offices
- Health & Dental
- Life Insurance
- Disability
- Critical Illness
- Mortgage Protection
- Cyber Liability
- Executor Liability
- Home Insurance
- Farm Insurance
- Tenant Insurance
- Condo Insurance
- Seasonal Property
- Builders Risk
- Special Event Liability
- Automobile
- Commercial Auto
- Antique Vehicles
- Snowmobile, ATV, Watercraft
- Apartment Buildings
- Condominium Buildings
- Townhouses



Using Life Insurance to Fund Buy-Sell Agreements

A chief concern among business owners is what will happen upon the death of one of the owners: how will it affect the business, the other owners and the heirs of the deceased owner?

Surviving owners want to ensure the continuity of ownership, and not risk having a large share of ownership fall into the hands of potentially inexperienced heirs of the deceased. In addition, they want to protect themselves and the company financially.

On a personal level, owners want to also ensure that their family is financially secure and compensated fairly in case something happens to them. A buy-sell agreement can address all of these concerns.

Continued on page 2

Types of Buy-Sell Life Insurance Plans

There are two main types of buy-sell life insurance plans: Cross Purchase Plans and Entity Plans.

Cross Purchase Plans

Under this type of plan, the owners enter into an agreement with each other. Each owner purchases a life insurance policy on the other owners, and will be named the beneficiary of the policy. Upon the death of an owner, each surviving owner receives life insurance proceeds income-tax free, heirs receive an agreed-upon payment for their business interest, and the surviving owner(s) use the proceeds from the life insurance policy to redeem the deceased owner's interest in the company.

Entity Plans

In this type of agreement, also known as a Stock Redemption Plan, the company purchases life insurance policies on each owner, with the company itself as the beneficiary. When an owner dies, the company receives the life insurance proceeds and uses said proceeds to purchase the deceased's business interest, while the heirs receive an agreed-upon payment for their business interest.



We're giving away this Jeep Cherokee in December. It could be yours!

Visit mumby.com/sweepstakes to enter!

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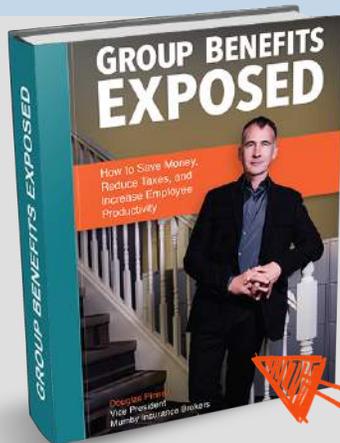
A Buy-Sell Agreement is a contract among business owners which, upon the death of one of the owners, requires the remaining owners or the company itself to purchase the deceased's interest in the company according to the agreed upon terms of the contract. In addition, the deceased's heirs are required to comply by selling their inherited interest at the previously agreed upon price.

Funding a Buy-Sell Agreement



There are various options for funding a buy-sell agreement, but some carry more risks than others. The smartest method for funding a buy-sell agreement is through life insurance. This ensures that funds are immediately available when a death occurs; plus, death benefit proceeds are generally income-tax free. In addition, the funds used to buy the deceased's share are purchased for pennies on the dollar and the premiums will likely be significantly lower than the cost of repaying loan interest.

Planning for your company's and your family's future includes thinking about a buy-sell agreement today. It can provide you the protection and peace of mind knowing you have the coverage when you need it most. **Call us today at 1-800-446-5745 to learn more!**



Make Your Workplace a Healthier One

Douglas' upcoming book outlines everything you need to know about creating an excellent group benefits plan for your business.

You might be surprised by how affordable a group health benefits plan can be. **Call Douglas at 1.800.446.5745** to discuss your options and to get a free quote.

Your staff (and your business' bottom line) will thank you! And remember to ask about Douglas' upcoming book...he'd be happy to help you get a complimentary digital copy!

Business Relocation Checklist ✓✓✓

Relocating your business is no easy feat—it takes months of meticulous planning and an eye for the finer details. You may experience challenges that can adversely impact your business if proper planning isn't considered. Use this checklist to help ease the transition into your new space!

Pre-move

- **Set a moving budget**, accounting for all moving/transit services, potential updates to the new location, lost revenue due to downtime and any insurance needs.
- **Select a new facility** based on budget, the number of employees and other needs per department, staff members, etc.
- **Communicate** moving plans to your employees well in advance.
- **Revise your insurance policies**, discussing any additional insurance needs in preparation for the move. **Call us at 1.800.446.5745** if you need assistance in determining your insurance needs at your new business location.
- **Contact** clients, vendors, financial institutions and other service providers, making note of your address change.
- **Order** new stationery, business cards and marketing materials to account for your change in address.
- **File a change of address** with your provincial registrar or Corporations Canada and the Canada Revenue Agency. Set up mail forwarding through Canada Post.

Moving Day

- **Identify a point person** who will handle any questions from on-site help during the move.
- **Reserve the elevator** at the old and new locations, if possible.
- **Walk through** the old space one last time to ensure that no items have been left behind.
- Make sure all address **updates on your website** and social media accounts are now live.

Post-move

- Welcome employees and hold **training** on any new systems.
- Confirm that all change-of-address **corrections have been made**.
- Confirm that any applicable **insurance has been transferred**.
- **Celebrate your new location**. You can use press releases and email blasts to inform clients and the public of your move. An open house is a great way to create excitement.

NEW: Free Second Medical Opinion

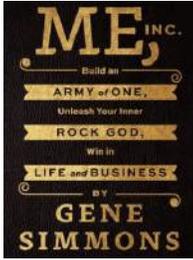
As a value-added bonus to many Mumby clients, free second medical opinions are now included with certain property insurance policies. This can entitle you to a second medical opinion for yourself, your spouse, or your dependent children.

This service uses specialists from world-class medical centres to review your medical records and provide a report and recommended treatment plan usually within 5 business days.



**Call us at
1.800.446.5745 to
see if this feature is
included with your
existing policy.**

Anthea's Book of the Month



Living with Douglas, a lifelong rock and roll music fan, has given me appreciation for artists like Gene Simmons. That's why I originally picked up his book called Me Inc.

In this book, Simmons shares his manifesto for business success. KISS did not become one of the most successful rock bands in history by accident.

Long before he first took the stage, Gene Simmons had a clear-cut operating plan for the business. Over the past forty years, KISS has sold millions of

CDS, DVDs and other merchandise, proving that he knew what he was doing!

I enjoyed the book because it's really about giving aspiring entrepreneurs the critical tools they need to succeed. Simmons discusses how to build a solid business strategy, harness the countless tools available in the digital age, and how to be the architect for the business entity that is you.

The tools and principles taught in this book can help you attain the freedom and wealth of your dreams!



For Design Professionals Only:

- ☑ Learn the best way to set up a Buy-Sell Agreement for your business
- ☑ NEW: Get a Free second medical opinion for yourself and your family
- ☑ Follow this checklist when it's time to move your business to a new physical location
- ☑ Read Anthea's review of Me Inc.

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Waterloo, On N2L 5C6
Local: (519) 885-5956
Toll-Free: (800) 446-5745

Did You Know That Your Staff Get Huge Savings Too?

Here's a benefit you can offer to your full-time staff that provides them with tremendous value and costs you nothing!

Your full-time staff are eligible for all of our preferred association plans, including the group home & auto insurance plan! **These give them access to exclusive discounts that they won't find anywhere else!**

Let your staff know that they can save with one quick phone call: 1.800.446.5745



Here are some savings our most recent clients got when they made the switch to Mumby:

RBC car insurance – **\$360 saved**

CAA home insurance – **\$280 saved**

Dominion car insurance – **\$378 saved**

TD home insurance – **\$250 saved**

And the list of savings goes on and on. These ARE typical savings that your staff can benefit from too!

