

# Life insurance keeps a business in the family

Ernesto “Peanut” Folks was the proud owner of an auto body repair shop, and **his plan was to one day pass along the business to his son, Ernesto.** Life insurance was never on Peanut’s radar until an insurance professional spoke to him about how it could help him protect the business and its 10 employees.

Downturns in the business would sometimes make it hard for Peanut to make his premium payment. **He considered dropping the policy but ultimately kept it in place.**

When Peanut was diagnosed with advanced-stage lung cancer, his doctors gave him just six months to live. The treatments that followed kept him away from work, and medical bills mounted.

Given his terminal diagnosis, a provision in his life insurance policy called an **accelerated death benefit allowed him to access a portion of the money from that policy while he was still alive.** In the months before his death at age 49, Peanut was able to pay off his debts and turn the body shop over to Ernesto, fulfilling his dream.

Talk to an insurance agent about how life insurance can protect your business and your legacy.

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Accelerated Death Benefits are subject to eligibility requirements. The death benefit will be reduced by the amount of the death benefit accelerated. Since benefits are paid prior to death, a discount will be applied to the death benefit accelerated. As a result, the actual amount received will be less than the amount of the death benefit accelerated.

Texas Residents: Receipt of acceleration-of-life-insurance benefits may affect your, your spouse’s or your family’s eligibility for public assistance programs such as medical assistance (Medicaid), Aid to Families with Dependent Children (AFDC), supplementary social security income (SSI), and drug assistance programs. You are advised to consult with a qualified tax advisor and with social service agencies concerning how receipt of such a payment will affect you, your spouse’s and your family’s eligibility for public assistance.

Ernesto Hines