



## BUY-SELL PLANNING INFORMATION SHEET

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Dated: \_\_\_\_\_

I. Business Data:

Name: \_\_\_\_\_ Contact Person: \_\_\_\_\_

Type of Entity (LLC, S or C Corporation, other): \_\_\_\_\_

Email Address: \_\_\_\_\_

Work Phone: \_\_\_\_\_

Home Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Business Address: \_\_\_\_\_

Officers: \_\_\_\_\_

Directors: \_\_\_\_\_

Attorney Name, Address, Phone: \_\_\_\_\_

\_\_\_\_\_

Accountant Name, Address, Phone: \_\_\_\_\_

\_\_\_\_\_

Insurance Professional Name, Address, Phone: \_\_\_\_\_

\_\_\_\_\_

Financial Planner Name, Address, Phone: \_\_\_\_\_

\_\_\_\_\_

Other Advisors: \_\_\_\_\_

\_\_\_\_\_

## II. Buy-Sell Agreement:

### A. Restrictions on transfers

- (1) General
- (2) Permitted - trusts, family
- (3) Tag along/drag along rights
- (4) Right of first refusal

### B. Voting

- (1) Majority
- (2) Supermajority
- (3) Unanimous
- (4) Nonvoting

### C. Trigger Events

- (1) Death
- (2) Disability
- (3) Deadlock
- (4) Unauthorized transfer
- (5) Withdrawal, retirement, age, divorce, bankruptcy, failure to pay capital call, other

### D. Result

- (1) Option or obligation?
- (2) Put - employee/member right to force purchase by employer or other owners
- (3) Call - right to force sale
- (4) Use redemption, cross purchase or "wait and see"?

### E. Price

- (1) Fixed price vs. formula
- (2) Default failing price adjustment
- (3) Minimum/maximum price provisions; dealing with excess or inadequate insurance
- (4) IRS rules
- (5) Departed shareholder share in future sale price
- (6) Vesting

### F. Payout Terms

- (1) Down payment
- (2) Installment vs. lump sum
- (3) Interest rate, term

### G. Security

- (1) Stock/Membership interests (trustee?)
- (2) Entity assets
- (3) Personal guarantees

## H. Funding

### (1) Death

- (a) Buy-sell life insurance
- (b) Key person life insurance
- (c) Avoid transfer-for-value
- (d) Term? Permanent? Split dollar? Trusteed?

### (2) Disability

- (a) Disability buy-out insurance
- (b) Disability income insurance
- (c) Disability overhead insurance

### (3) Owner? Beneficiary?

## III. Other Critical Concerns:

A. Employment agreement - salary, benefits, termination (at will, for cause?), non-compete, non-solicitation

### B. Deferred Compensation

- (1) Pros and cons
- (2) Taxation
- (3) Terms, funding, change in control

### C. Minute Book

D. Use of multiple entities - asset protection; staggered sale

### E. Leases

### F. Fringe Benefit Planning

- (1) Retirement plan
- (2) Key personnel - golden handcuffs
- (3) Medical reimbursement
- (4) Other

### G. Personal Estate Planning

- (1) Proper distribution
- (2) Avoid probate
- (3) Avoid taxes
- (4) Asset protection
- (5) Coordinate with business transfer - to family or others, via buy-sell?

### H. Fees and costs