



ASSOCIATE ESTATE PLANNING PRACTITIONER (AEPP®)

ADVANCED MODULE - BUY-SELL ARRANGEMENTS FOR BUSINESS OWNERS



Estate
Planning
Practitioners
Limited



PURPOSE AND RELEVANCE OF PROGRAMME

When a business owner builds a successful business with his partners over the years, a proposition is often neglected and left exposed - Business Succession Planning.

You may start the conversation with the business owner by asking "What if something happens to you, will your spouse and children be able to take over your role in the business?"

Each business owner may give you different answers. One of them may say he plans to sell it to his partners when he dies. The other partner may say, he will pass it to his wife and children and let them decide. Another partner may not have thought about it.

When an unfortunate event happens to a partner, it can have a detrimental impact to not just the remaining partners, but also to the beneficiaries who is now suddenly poised to take over the role.

When the business partners are not family members, it will be sensible to prepare a Buy-Sell Trust. The Buy-Sell Trust is an arrangement between the partners to sell their business interest at the agreed price to each other in the event of death or disability or illness or even retirement. When such a plan is in place, the loved ones will not have to go through the stress of negotiating to sell the business interest or the stress of handling business matters that they are unfamiliar with. When there is a Buy-Sell Trust, instead of having to deal with all the business issues, the loved ones will receive the proceeds from the sale of the business interest.

With a Buy-Sell Trust, the business partners will not have the unpleasant experience having to deal with family members who may disrupt the operations of the business because they are not familiar with it. The sale and purchase between the business partners will be smooth especially with the appointment of a Trust company to facilitate and coordinate transactions, together with the smooth transfer of the business interest to the remaining partners.

YOUR PROGRAMME TRAINERS



Mr. Leong Mun Kid

Resident Manager
Precepts Trustee Ltd

Mr. Mun Kid graduated with a law degree from the University of London. He has a Certificate in Trust Services (CTS) with Wealth Management Institute (WMI), Nanyang Technological University.

He is the head of department for trust in Precepts Trustee Ltd and has been appointed as a resident manager under criteria set out by MAS for a licensed trust company. He manages the setting up and administration of trust in Precepts Trustee Ltd and assists clients in their estate and trust planning.

Prior to joining Precepts Trustee Ltd, Mun Kid was a manager in the legacy planning department in Rockwills Trustee Bhd (Malaysia) taking charge of setting up private trusts for clients. Since 2011, Mun Kid has been actively involved in estate planning for multitude of clients and has extensive experience in setting up trusts for families in Malaysia and Singapore



Mr. Alan Wong

AFP^{CM}, AEPP[®]
W3 Consultancy Pte Ltd

Alan Wong is an Associate Financial Planner (AFP^{CM}) accredited with the Financial Planning Association of Singapore (FPAS) and an Associate Estate Planning Practitioner (AEPP[®]). He is the Principal Consultant of w3 Consultancy Pte Ltd which provides training and consultancy services in the specialized field of

Business Protection Planning. He has trained numerous financial consultants from insurers as well as IFAs. A financial consultant himself with more than 15 years of experience, he focuses his practice on planning for Business Owners using estate planning. He is highly effective in penetrating this market and often able to win over clients from banks and other intermediaries who serve the ultra HNW individuals and business owners.

TARGET AREAS OF TRAINING



Estate Planning for Business Owners



Buy-Sell Arrangement as Succession Plan



Trust Structures for Effective Arrangements



Types of Funding for Buy-Sell Arrangements

- How does death, disability, incapacities, retirement and illness affect the ability of the business to continue and generate income?
- Should it be a buy-sell plan or a succession plan?
- Market size for the buy-sell trust and how to approach the target market
- Choosing buy-sell trust as the solution
- Areas covered in the buy-sell trust
- Documents for a buy-sell trust
- Explanation of the documents involved – buy-sell agreement, cross option agreement, life insurance, lasting power of attorney and trust deed
- Review period of the buy-sell trust
- Advantages of having a buy-sell trust
- Case studies

PROGRAMME STRUCTURE

This is structured to be undertaken as a 1-Day course (7 hours) involving a discussion and interactive delivery with case studies. All trainers and facilitators are senior and experienced qualified practitioners dealing with high net worth families in their businesses and possess experience in Estate Planning and Trust services.

Conduct of Programme

In person training or online via zoom

IBF Competency Level

Level 2

Scheme

FTS

CPD Hours

7 hours

MODULE COURSE GOALS

Upon completion of this course, participants will be equipped with the essential skill sets to engage with non-family business owners to discuss, plan and set in motion the buy-sell arrangement.

Participants will be able to:

- Introduce to the business owners the concept, purpose, reasons, and structure of a buy-sell plan
- Discuss issues and impact faced by the family, business partners and the business itself when a partner dies or becomes permanently disabled or become mentally incapacitated
- Explore with the critical issues relating to buy-sell arrangements and how it can be resolved

LEARNING OUTCOMES



Understand types of funding that can be used

Life insurance are commonly used as the preferred funding for Buy-Sell Trust but if the business partner cannot be insured?

- What are the other funding options that can be used?
- When should the business interests be transferred to the remaining business partners?
- Will there be any interest charged on instalments and late payment?



Instil mindset on preparedness: Better early than never

It is important for business partners to plan early so that the partners can be involved in meaningful discussions to finalise the Buy-Sell Trust that incorporate the wishes of all business partners.

COURSE FEE

\$1,100
Includes course manual

Precepts courses are approved under IBF- FTS. Participants can **ONLY** claim **ONE** funding under **EITHER** IBF-FTS **OR** use your SkillsFuture credit to offset the course fee.

Institute of Banking & Finance Funding	SkillsFuture Credit
<p>FTS Funding Quantum Commencing 01 Jan 2023</p> <ul style="list-style-type: none"> Singapore Citizen 40 years old and above - 70% Funding (capped at \$500) Singapore Citizen less than 40 years old and Singapore PRs - 30% Funding (capped at \$500) 	<p>Participants can utilise up to \$1,000 SkillsFuture credits (excluding "Additional SkillsFuture Credit (Mid Career Support)" for the course fees.)</p> <p>Full course fee + 9% GST = \$1,199 SkillsFuture Credit claimable through SkillsFuture portal, up to available balance.</p>

• IBF-FTS Approved Programme		• IBF Funding (commencing 01 Jan 2023)	
Pre-requisites to qualify:	SG Citizens age 40 and above 70% IBF Funding	SG Citizens <u>below</u> age 40 & Permanent Residents 30% IBF Funding	
<ol style="list-style-type: none"> Working in a Singapore-based financial Institution regulated by MAS Singapore Citizen / SPR Full attendance in class and pass exam Physically residing in Singapore 	Course Fee: \$1,100	Course Fee: \$1,100	
	9% GST: \$99	9% GST: \$99	
	70% Funding: \$500 (cap)	30% Funding: \$330	
	Net Fee Payable: \$699	Net Fee Payable: \$869	

Course Reference Code: TGS-2022602175

Period	Commencing Between 01 Jul 2022 - 31 Dec 2022 (Both dates inclusive)		Commencing 01 Jan 2023	
Training courses	Completed no later than 31 Mar 2023			
Eligible Individuals	Singapore Citizens aged below 40 years and PRs	Singapore Citizens aged 40 years and above	Singapore Citizens aged below 40 years and PRs	Singapore Citizens aged 40 years and above
Funding Amount For Direct Training Costs	50% capped at S\$2,000 per participant per course	90% capped at S\$2,000 per participant per course	30% capped at S\$500 per participant per course	70% capped at S\$500 per participant per course

PROGRAMME DETAILS



Time: 9am – 6pm



Venue: In person training or online via zoom



Register:

You may register for the course at <https://www.preceptsgroup.com/education/>

Registration closes 1 week before the start of the class.



Payment: Bank Transfer, Cheque, Credit Card, PayNow.

1. For Bank Transfer, kindly transfer to CIMB Bank 2000414299.
2. For Cheque, payable to “Precepts Academy Pte Ltd”.
3. For Credit Card, we will send a payment link to your email address.
4. For PayNow, kindly transfer to
UEN No: 200917180Z “Precepts Academy Pte Ltd”






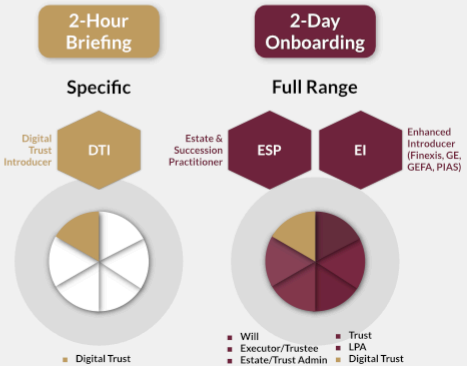


Contact: We are contactable at 6221 8633 or academy@preceptsgroup.com

Terms & Conditions

1. IBF Funding Support of 70% is for Singapore Citizens 40 years old and above, physically residing in Singapore and from a Singapore-based financial institution regulated by MAS
2. IBF Funding Support of 30% is for Singapore Citizens below 40 years old and Singapore Permanent Residents, physically residing in Singapore and from a Singapore-based financial institution regulated by MAS
3. Full information and payment must be completed before your registration is complete.
4. Declaration of information must be true and accurate. If there was any information that was found to be untrue which led to an unsuccessful IBF Funding claim, we reserve the right to claim the full course fees less any fees paid by the participant.
5. The IBF Enhanced Funding Support is subject to full attendance. We reserve the right to claim the disbursed course fee subsidy if there is non-attendance.
6. If the participant has started on the course and did not complete the course for whatsoever reasons, the participant shall be liable for the full course fee.
7. We allow one deferment of the course for valid reason (e.g. on medical ground with medical certificate). If the course is not attended by the next available course date, it will be deemed as cancelled by the participant and cancellation fee stated below will apply for any refund.
8. An administrative fee of \$54.50 will be charged for any cancellation. An additional 5% of the refunded amount will be levied for credit card transactions to cover merchant fees.
9. The GST component is not covered by any funding.

ASSOCIATE ESTATE PLANNING PRACTITIONER (AEPP®)

ADVANCED MODULE - BUY-SELL ARRANGEMENTS FOR BUSINESS OWNERS

THE PRECEPTS JOURNEY		
Primary Knowledge		
Associate Estate Planning Practitioner Certification Programme	Estate Planning, Wills & Trusts for Financial Services Professionals	
		
Secondary Knowledge		
Knowledge	Practitioner	
<p>AEPP® Advanced</p> 		
Route		
Purpose	<ul style="list-style-type: none"> • Certification • Knowledge • AEPP® designation 	<ul style="list-style-type: none"> • Certification • Knowledge
Objective	Introduction to various Estate Planning topics	Deep-dive into the solutions provided by Wills & Trusts
Course Fees	Course Fee: \$1,308 + Designation Fee: \$272.50	Course Fee: \$1,090
IBF-FTS Funding	IBF 30% or 70% (cap at \$500) (commencing 01 Jan 2023)	
Fees payable after IBF-FTS Funding	IBF 30% : \$1,220.50* net fee IBF 70% : \$1,080.50* net fee	IBF 30% : \$790* net fee IBF 70% : \$590* net fee
Estate Planning needs	Referral	Referral, unless proceeding to Part 2: Onboarding Precepts
Exam	1.5-hour exam, MCQ & short answer questions	-