

## Article Title: The Prodigal Son

WE all know the Biblical story of the Prodigal Son, don't we?

The wayward younger son of the rich man wants his inheritance early so he can enjoy it now, which the loving father grants.

And he is off for a wild time, leaving his older brother back home working the fields, as a faithful and loyal child.

But as soon as he is spent, and finding himself destitute, the younger son returns home to beg forgiveness, only to be greeted with a celebration at his return, and the fatted calf is slain for a feast.

The older brother, however, is rather annoyed at the turn of events – he has worked hard in the family business while his younger sibling was off partying like there was no tomorrow.

This leaves dear old dad to remind the older boy he will get his – he gets to inherit the farm in the future.

Well, if only there had been life insurance back then, and the problem may have been solved somewhat differently.

It is not uncommon for an entrepreneur to want to see his or her business continue to the next generation – after all, they worked very hard to create the business from nothing, so not only does pride insist it continue into the future, but as a parent they also want to leave a legacy for their children.

However, it is also common that not all someone's children want to go into the family business.

This can cause problems, arguments and even family rifts if the situation isn't addressed.

Take one common situation – there are two children of the business owner. One works hard learning the ropes and helping the business grow while the other ploughs their own furrow.

Not to say they do a Prodigal Son and go wild, but they just choose their own career path.

So what to do with the business when it comes time for the children to inherit? The founder wants to treat both children equally but it seems unfair to split the business up when only one has dedicated their professional life to helping it grow and has been trained to take over.

Sell the business and split the cash? Force the uninterested child to become involved? Deny the interested child the chance to run the legacy? Split the shareholding?

Classic mistakes in succession planning, leading to the slow and messy death of the business and squandering of that very inheritance on legal fees as it is argued over.

But a good life insurance policy can address the problem of a stroke.

The interested child gets the business and the other child gets the life insurance payout to the value of the business.

Both children happy, and the entrepreneur's legacy continues to the next generation.

Do you recognize yourself in this situation? It may be worth calling our experienced professionals at Embrescia Wealth Management to talk life insurance.

Our advisors can discuss strategies to help you plan for the future with the aim of leaving a suitable nest egg to help your children and keep your business running well into the future.

And if you already have grandchildren, with a chance the business may have a third generation waiting in the wings, speak to us at Embrescia Wealth Management today to see if we can help your children with their life insurance needs as well.

Guarantees are based on the claims paying ability of the issuing company.

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. All performance referenced is historical and is no guarantee of future results. All indices are unmanaged and may not be invested into directly.