

	<b>Redemption</b>	<b>Cross-Purchase</b>	<b>Wait &amp; See</b>	<b>Partnership</b>
<b>Owner of life insurance</b>	Business is the owner and beneficiary of the policies	Business owners are the owners and beneficiaries of the policies	Business owners are the owners and beneficiaries of the policies	Partnership is owner and beneficiary of the policies
<b>Cost of life insurance</b>	Spread among the owners proportionate to ownership	Cost of insurance is higher for younger owners who own policies on older	Cost of insurance is higher for younger owners who own policies on older	Cost of insurance may be allocated as desired
<b>Cash value of life insurance</b>	Policy cash values are a business asset subject to the claims of the business' creditors	Policy cash values are an asset of individual business owners and subject to the claims of their individual creditors	Policy cash values are an asset of individual business owners and subject to the claims of their individual creditors	Policy cash values are owned by the partnership and subject to the claims of creditors of the individual owners only to the extent of their interest in the partnership
<b>Number of policies</b>	One policy per owner	Number of policies needed escalates rapidly when more than 2 owners are involved. Formula is $N \times (N - 1)$ where $N =$ number of owners.	Number of policies needed escalates rapidly when more than 2 owners are involved. Formula is $N \times (N - 1)$ where $N =$ number of owners.	One policy per owner
<b>Change in ownership interests</b>	Results in a uniform increase in the ownership interests of the remaining owners	Permits owners to achieve the ownership percentages desired	Permits owners to achieve the ownership percentages desired	Permits owners to achieve the ownership percentages desired
<b>Alternative Minimum Tax</b>	Death benefit may be subject to federal AMT	Death benefit not subject to federal AMT	Death benefit not subject to federal AMT	Death benefit not subject to federal AMT
<b>Tax basis changes</b>	Surviving owners' basis is not changed	Surviving owners receive a larger tax basis in their ownership interest	Surviving owners receive a larger tax basis in their ownership interest	Surviving owners receive a larger tax basis in their ownership interest

