



# An action plan for insuring your key people with Friends Provident International

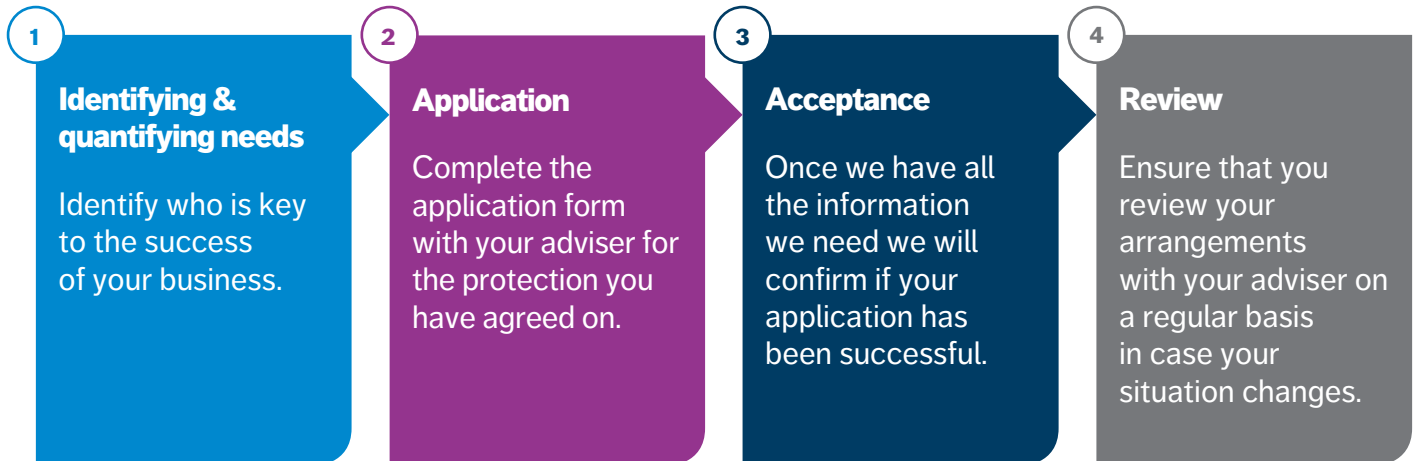
**Life changes. Be prepared. Be protected.**

Many businesses would be severely affected if someone key to their profits were to die suddenly or suffer a serious illness.

Problems could include a loss of confidence in the business, withdrawal of credit facilities or the need to recruit or retain a replacement. It could even lead to the business having to cease trading.

Key person cover in the form of life assurance can be a simple and cost-effective way for a business to help protect itself against these eventualities.

# Steps to insure the key people in your business



Consider the consequences of one of your key people dying or becoming seriously ill.

Consider how much profit the business would lose if a key person were to die or become seriously ill.

Your financial adviser will arrange a meeting with you to collect details about your business and the key people in it. Your adviser may ask to see copies of your accounts to help with his or her recommendations.

Do you need a board resolution to agree on the cover? Tell your adviser who from your business makes such decisions.

Also, complete the business financial underwriting questionnaire, if required.

Be clear about who is applying for the policy. E.g. if the employer applying for the cover is a company then we must have its full legal name on the application and it must be signed by those authorized.

Your adviser will submit all of the information to us so that we can review and assess your situation.

This review is done by our underwriting department. They will check factors such as health, occupation, and financial details, which will help them make a decision. The key person might need to have a medical examination as part of this.

We pride ourselves on our flexible and fair approach to underwriting and we aim to offer the best terms available to all our customers.

It is a rare occurrence that we decline an application, but this can happen, for example, if the key person travels to high risk countries or on medical grounds.

Decide where to keep your policy documents safe in case of a claim. Where does your business keep its other insurance documents?

For example:

- Are the key people producing consistently higher profits?
- Does a restructure, change of business strategy or recruitment activity alter who is key to the business or increase the number of key people?

## Case study

**We treat each application for key person protection on a case by case basis. Depending on the type and size of your case, we may request further medical and financial information.**

**For example:**

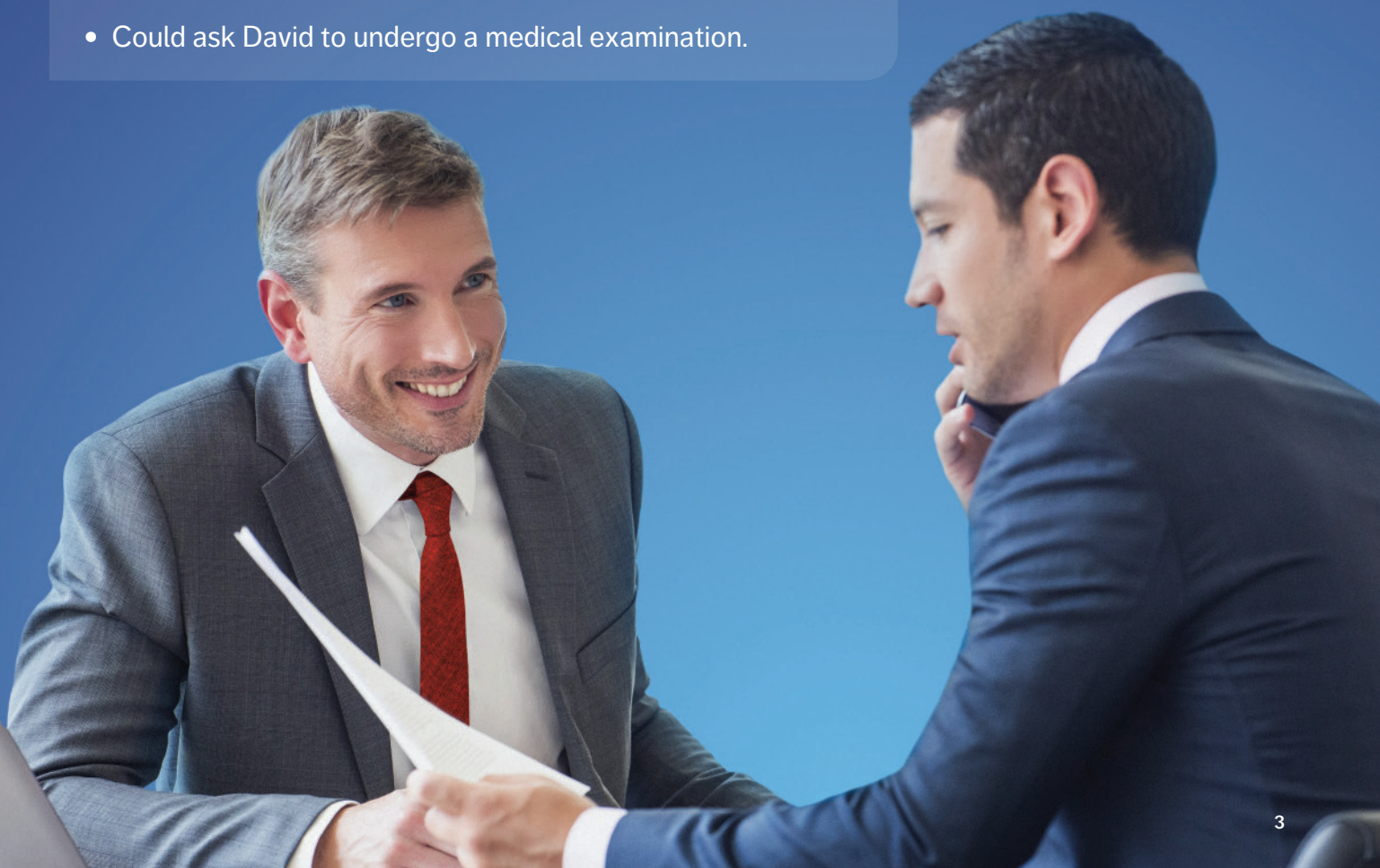
David is one of the creative directors in your advertising agency. He is the primary contact with a number of important accounts, managing advertising campaigns on their behalf.

These accounts are a major source of income for the agency contributing around **USD 600,000** to the profits. The board of directors has recognized that if he were to die or suffer a serious illness, it will present a financial risk to the business.

As a result they are seeking to protect the business from the loss due to his death or critical illness, by purchasing key person cover with a sum assured of **USD 600,000**.

### **Friends Provident International:**

- Would ask for a business financial underwriting questionnaire demonstrating how 'key' David is to the business, and
- Would require a copy of the last two years' reports and accounts, and independent evidence of his earned income (e.g. latest tax statement, statement from employer or last 3 months' pay slips).
- Could ask David to undergo a medical examination.



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**In our experience, many businesses would be severely affected if someone key to that business were to suffer a serious illness or die suddenly.**

Life insurance has helped many business owners around the world to protect their business against these eventualities. They have often found it a simple and cost effective solution to help ensure the continuity of their businesses, providing them peace of mind to them, their families and colleagues.

At Friends Provident International, we have a range of solutions to help mitigate the risk to your business if a key person were to die or become seriously ill.

Speak with your financial adviser for more details or visit:

**[www.fpinternational.com](http://www.fpinternational.com)**

### **Data Privacy**

We take the responsibility of handling your personal data very seriously and we will only ask you for details required to process your requests to us. Please be aware of our privacy policy – please visit **[www.fpinternational.com/legal/privacy-and-cookies.jsp](http://www.fpinternational.com/legal/privacy-and-cookies.jsp)** to view the full policy, or this can be provided on request.

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