

# Key Person

## Protect a Business from Financial Loss

### Concept

A life insurance policy can help to keep the business financially strong while the business recovers from the loss of a key employee.

### Agent Profile

Financial professional who works with business owners or may have a relationship with Certified Public Accountants (CPAs).

### Client Profile

Business owner, executive, manager, director, or top salesperson with specialized knowledge or relationships and high compensation.

### Product Options

- ▼ **ADDvantage Term or Custom Guarantee UL** - low-cost death benefit protection
- ▼ **Rapid Builder IUL** - death benefit protection plus early cash value potential
- ▼ **Builder IUL** - death benefit protection with long-term cash value accumulation potential

### Key Selling Points

- ▼ Protect the business from financial loss at the loss of a key employee.
- ▼ Term or GUL products provide a death benefit-only solution.
- ▼ IULs can provide for additional lifetime benefits: an exit strategy or a source of liquid funds.

### Illustration Design Tips

- ▼ Remember this concept is designed to benefit the business, not the key person. The company is the owner and beneficiary of the policy.
- ▼ Focus on the financial loss to the business: loss of managerial skill and experience, decrease in sales, adverse impact on production, restrictions on company credit, expense of recruiting and training a replacement.
- ▼ An employer-owned life insurance policy form will be required.



## Right Words

"All too often a business fails to recognize and quantify what the loss of a key employee would mean to the future profitability and viability of a business. Recognizing and addressing this need is an important part in sound business risk planning."



## Right Questions

- ▼ "Would your business suffer financially if you lost a key employee?"
- ▼ "Which employees would be difficult or even impossible to replace?"
- ▼ "If you lost your top salesperson tomorrow, how would that impact your business for the remainder of the year?"
- ▼ "Did you know that you can insure that risk for pennies on the dollar?"

Send



New Email Message

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To:

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Subject: **Follow-Up Email to Agent**

Hello \_\_\_\_\_,

It was great talking with you [today/recently]. I was thinking about how to help you identify some new opportunities with the Key Person strategy, and wanted to send you some tips to get you started.

First, think of the businesses you visit frequently—gas stations, restaurants, local shops (either retail or services). Most, if not all, have a "key person" or multiple key people. This is the person in the business who's valuable enough that it would be difficult or expensive to replace. Getting life insurance on that individual can help stabilize the company in the event that a key person leaves the company—whether that's due to death, disability, retirement or any other reason for leaving.

Do you have any business owners in your current book of clients? If not, you can also look for:

- Accountants who work with business owners
- Attorneys who work with business owners

Once you have a couple of people in mind, send me their information and I can help you design a case for them.

Feel free to call me with any questions in the meantime!

Regards,

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Go to <http://nalife.northamericancompany.com/NA-KeyPerson>  
to download the complete sales concept kit!