



Key Person Protection

*Do you have Key People that are critical to your business?
Is their continued involvement critical for ongoing success, revenue and profitability?*

Have you thought about the impact to your business if you or one of your Key Employees became ill or suffered an injury and had to take time off work?

Did you know?



Over 60% of Australians had time off work due to sickness or injury with nearly 30% taking a week or more off work.



Those affected are mainly 50-54 years of age with over 60% being males.



37.5% of businesses said the lack of skilled people was a barrier to innovative activity i.e. it hampered their business in the development or introduction of new or improved goods, services, processes or marketing initiatives.

Australian Bureau of Statistics (2013) Work-Related Injuries Australia, 2013-14, cat.no.6324.0.
Australian Bureau of Statistics (2014) Selected Characteristics of Australian Businesses, 2013-14, cat.no.8167.0.

What is Key Person Insurance?

If a key person is sick or injured and can't work, Key Person Protection can help minimise the impact to your business' cash flow by:

- injecting cash flow
- allowing you to continue meeting loan repayments
- meeting business expenses
- paying for an interim replacement
- funding the recruitment process

“ Key Person Insurance is designed to protect the business against the financial loss suffered from losing a Key Person. It allows a business to reinvest in itself; providing stability and confidence at a time of great uncertainty. **”**

Continued over >

Why do you need advice on Key Person insurance?

The issue of taxation with Key Person insurance can be complex and finding the best solution to protect your business from the loss of revenue, debts and director personal guarantees requires carefully considered planning.

Executive Risk Advice can help you develop a strategy to best handle the loss of a Key Person by identifying the risks your business may be exposed to and planning ahead to protect all stakeholders.



Who is a Key Person?

A **Key Person** is someone who provides the ideas, drive, initiative and skills that turn capital investment and business assets into profit. Key people can include:

- Business Founders and Principals
- Managing Directors
- Financial Controllers
- Sales Staff
- Technical Specialists
- Capital Investors

What are the tax implications?

We can help you understand all the various tax implications in relation to Key Person Protection. Premiums may or may not be tax deductible and proceeds can be taxed differently depending on how the proceeds are used.

Protect your business today!

Call us on 1300 615 232

SPECIALISTADVICE | 1300 615 232
SERVICES

📍 Level 1, Suite 5, 100 Mill Point Rd South Perth WA 6151

✉️ PO Box 940 South Perth, WA 6951

🌐 specialistadvice.com.au

✉️ service@specialistadvice.com.au

Dynami Financial Services Pty Ltd | ABN 30 640 111 235 | AFSL 522 830

The contents of this document/email have been prepared without taking account of your objectives, financial situation or needs. Because of that you should, before taking any action, consider whether it is appropriate having regard to your own objectives, financial situation and needs. Before considering a financial product (i.e. insurance or superannuation) you should obtain the Product Disclosure Statement relating to the relevant financial product (which contains full details of the terms and conditions of the relevant financial product) before making any decision about whether to acquire the financial product.