

KEY PERSON INSURANCE



Key People. One of your most valuable assets



TALK TO A PROBLEM SOLVER FROM WAWANESA LIFE



PEOPLE ARE THE KEYS! *The keys to the success of any business are the employees. Office equipment, capital assets and inventory are certainly important ... but the most valuable and important asset of any organization is that key-person who provides the knowledge, ability, skill, personality, experience and leadership. These are the values which far exceed in importance all other assets of a business. This applies whether the business operation is a corner store, a large urban manufacturer of goods or a farm enterprise.*

A Key Person Makes the Difference

Every successful business has one or more key-employees upon which the success of the business depends. It may be the president, sales manager, partner, inventor, plant manager or any other employee who makes a difference to the bottom line of the company. Whoever it may be, the death of a valuable key person will inevitably bring a substantial loss to the business, not only as a result of the loss of the expert services but also because of the high cost of securing and developing a competent successor. Business owners accept without question the wisdom of insuring a business against the loss of its property values from fire and other physical catastrophes. However, the protection against the loss of life may be a far more vital need. It takes a key person to make a business profitable. Just anyone won't do. If material assets burn or are destroyed, they can be replaced - but when a key person dies, that person's talents are lost forever. You cannot guarantee the continued health of your employees. You can however, thanks to Key Person Insurance, prevent an unexpected death from harming or destroying the business that they have helped to build. Modern business is a delicate machine of many parts which will

operate only if all the essential cogs are constantly performing their required functions. The need for the preservation of this delicate balance and co-ordination is greater than ever.

What is Key Person Insurance?

Key Person Insurance provides cash to your company through life insurance benefits should one of your key employees die unexpectedly. This is the most effective method of offsetting the loss of a key person by unexpected death. The only method of guaranteeing the right amount of cash at the right time is through Key Person Life Insurance. A key person in your organization would be anyone whose unique talents make a significant contribution to the profitability of the organization.

Key People are:

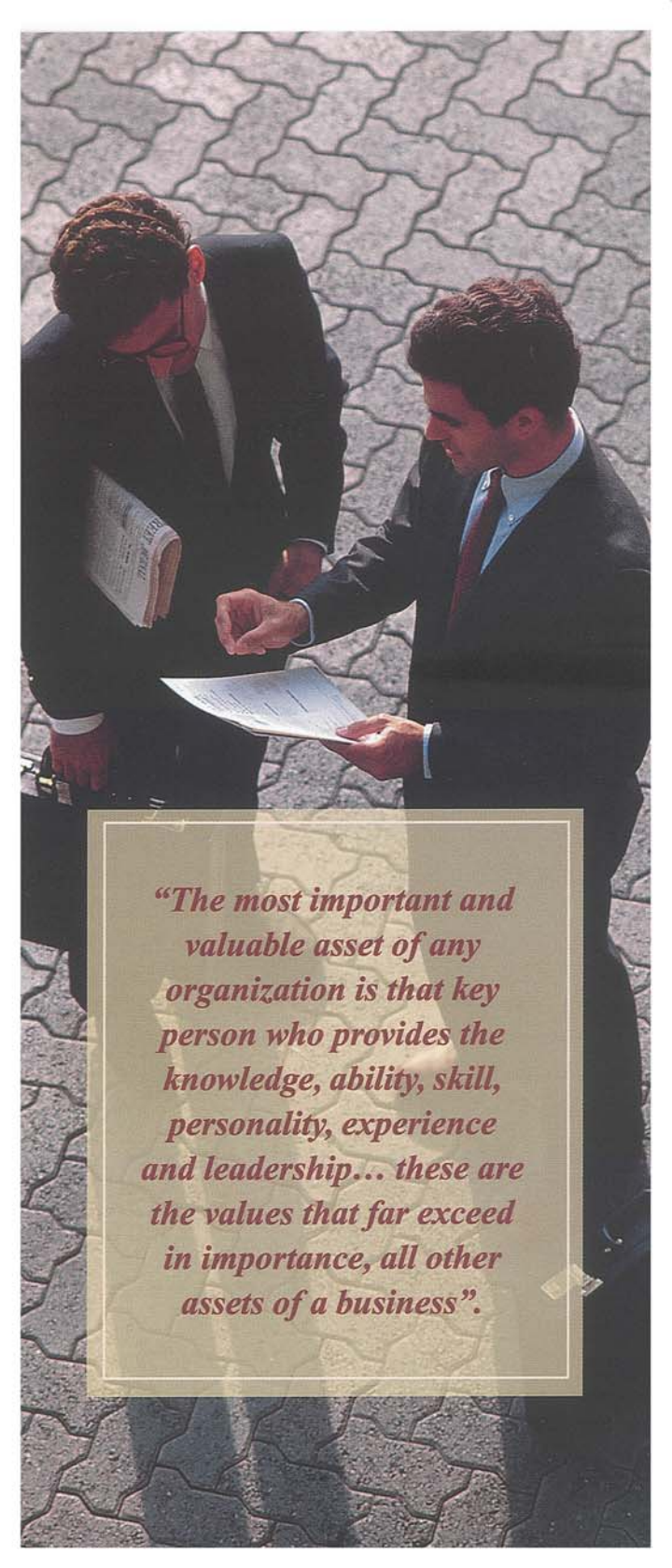
- Owner/managers
- Employees with special skills and talents
- Employees (sales people) with strong ties to valued customers
- Top salespeople skilled at attracting new business/customers
- Designers/inventors

Benefit of Key Person Insurance

- Money will be available at the time it is needed to provide an emergency fund and to keep the business running.
- Helps cover the loss in profits during the readjustment period.
- Assures creditors that their loans are safe and that credit will be protected.
- Assures customers that the business will continue operations.
- Guarantees tax-free funds to the organization at the time it is needed. In addition, if the business is a limited company and the life insurance is owned by the corporation, a tax-free Capital Dividend Account will be created.
- Provides the necessary cash to allow the company/organization to recruit, hire and train a new employee.

Key People: More Important than Physical Assets

The probability of loss of a business due to the death of an owner aged 45, is 14 times greater than a loss by fire, at age 50 the probability is 17 times greater and, by age 55 the probability is 23 times greater. Loss by fire may never occur. Death is inevitable, the loss of a Key Person is permanent. Buildings and equipment can be replaced but people can't.

A high-angle photograph of two men in dark business suits standing on a cobblestone-paved street. The man on the left is wearing glasses and holding a newspaper under his arm. The man on the right is pointing at a document held by the man on the left. The scene is brightly lit, casting shadows on the ground.

“The most important and valuable asset of any organization is that key person who provides the knowledge, ability, skill, personality, experience and leadership... these are the values that far exceed in importance, all other assets of a business”.



For business planning and peace of mind, talk to a problem solver from Wawanesa Life.

Wawanesa Life offers the following plans and services:

- Life Insurance Planning
- Family Insurance
- Children's Plans
- Critical Illness Plans
- Investments
- Retirement Plans, RRSP's, RRIF's. Annuities
- Mortgage Protection
- Business Insurance
- Key-Person Insurance
- Buy-Sell Agreements & Funding
- Group Insurance
- Non-Medical Instant Issue Plan

For additional information on how a Wawanesa Life, Key Person Plan can benefit you and your organization, call your local qualified, trained, professional Wawanesa Life insurance and financial advisor at your local general insurance agency, displaying the Wawanesa sign.



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