& PARTNERS

Business Protection

Smart business owners recognise that, in order to ensure future success, their business protection strategy is critical.

It can be the difference between the company surviving or going out of business altogether.

Business continuity

Putting plans in place to not only provide much needed funds, but also a framework to minimise or remove the financial impact of losing an individual on whom the business relies.

This enables the company to maintain revenues, protects its interests and maintain confidence with key partners, such as banks and suppliers. Having the ability to settle any borrowing will take pressure off at a difficult time whilst adapting to the new circumstances.

Business succession

Ensuring the business remains in the right hands at the right time, is incredibly important if something unexpected were to happen to a shareholder or partner of a business by providing the necessary means to retain control of the business.

Our team will work with you to develop and implement appropriate solutions to provide the stability you need to keep your business running if something catastrophic were to happen. **Keeping your business, your people and your livelihood protected.**

What really produces the profits in your business: machines or people?

The smart money is on the company that has a business succession and continuity plan addressing people risk.

The first things that are often insured are fixed assets in your business. The premises, furniture, machinery, company cars and computers. If you insure assets, why wouldn't you insure the most valuable assets in your business – your people?

What kind of protection should you consider?

Key person cover
Protects your business against the loss of an individual who is critical to the company. This can help to replace the key person and protect against revenues, as well as the cost of recruiting a similar talent.

Business loan protection
Provides the necessary funds to repay outstanding loans and debts as a result of the loss of a business owner or a person on whom the business relies.

Shareholder protection
Ensures control of the company is retained by the appropriate individuals and the beneficiaries are financially protected if a shareholder or partner were to die or be diagnosed with a serious illness.

Relevant life
Provides tax efficient death in service benefits on an individual basis, which can be vital to protect the families who rely on the business.

Income protection
Enables expenditure and lifestyle needs to be met if an accident or sickness were to prevent the individual from working in the short or long term.

Questions to consider

How will your business maintain confidence with clients and key suppliers in the event of a key person passing away or becoming critically ill?

Who does your business rely on for contribution to turnover, client introductions? Who has intimate knowledge of the inner workings or responsibilities such as people/operations management?

In view of the current climate, would you be able to retain and attract key talent?

Does your business have debts that are supported by one or more people?

Could your families maintain their standard of living without support from the business?

How would you retain control of your company in the event of a shareholder or partner passing away or becoming critically ill?

How can key person cover help you?

By providing the funds to continue trading, to maintain profit, fund a replacement, pay off a bank loan or repay directors' loan accounts – this is why it is referred to as business continuity

Key people come in all shapes and sizes – ultimately, they are the people on whom the business is dependent in some way.

Take a moment to look inside your business and think about who you really rely on:

- Business owners who set the strategic direction and run the business
- A sales person or director who has a major influence on driving turnover
- Specialists whose skills are hard to replace
- People who hold relationships with third parties (banks, suppliers or key clients)

Business loan protection cover

Loans are an efficient way to support investment, growth and cash flow – many businesses have them but, they can often be the largest liabilities in an individual's lifetime. Have you thought about how you would service a commercial loan if the business owner or a person who the business relies on, were to suffer a serious illness or pass away?

You should also consider the company's ability to draw further funding, if the driving force behind the business were suddenly not around.

How can business loan protection help you?

Lenders may have the right to demand that the business pays back any outstanding loans. A bank recalling a loan could be difficult to pay off at short notice and could add significant financial pressure during a turbulent time.

Some business loans may also have personal guarantees. If the business fails due to the death or illness of an owner or a key employee and the business doesn't have the funds to repay the loan, the guarantee could be used by the bank and put personal assets, including the owner's home, at risk.

Relevant life

If something were to happen to you or one of your employees, would the families and beneficiaries be financially secure? A relevant life policy is a way of providing death in service benefits on an individual basis and it has some helpful tax advantages.

How can a relevant life policy help you?

If you are a business owner or self-employed and wish to provide the benefit of life insurance in a tax efficient way for yourself and/or a handful of employees, you may wish to consider a relevant life policy.

Benefits of relevant life include:

- Lump sum on the death of the person insured
- Premiums are classed as a business expense, therefore you benefit from corporation tax relief
- Placed in trust for beneficiaries, therefore it remains outside the estate for inheritance tax purposes
- Does not count towards your pension lifetime allowance
- Significant cost savings for basic and higher rate taxpayers compared to ordinary personal ownership
- A brilliant way to add further payable benefits by way of a 'top up' to an existing group life scheme

Shareholder protection

Have you ever thought about who would be in charge or in a position of influence, if a shareholder or business partner passes away or becomes seriously ill? In other words, have you made a company will?

When company's are formed, the founding shareholders or partners create a vision for the direction the business will take. The sudden loss of a major shareholder or partner can cause unwanted disruption. Without the capital to buy the shares, you could find yourself working with whoever inherits them, which could mean someone with a very different vision becoming involved in the business.

Shareholder protection provides a lump sum on the death or serious illness of a shareholder or partner, which enables the remaining parties to buy the shares in the business from the deceased's beneficiaries. That means, the beneficiaries receive the full value of the shares and you maintain control of your business.

Your dedicated team

Our business protection team is made up of some of the best in the business. From our insight and understanding of your market, to our approachability and excellent client s we are here for you. We will make sure you have our support when you need it most.

Caroline Wilson
Client director

07967 150275
caroline.wilson@partnersand.com

Alex McNiven
Client director

01752 429 670
alex.mcniven@partnersand.com

Sam Lloyd
Client director

0113 547 5864
sam.lloyd@partnersand.com

Cate Mason
Client executive

07741 194235
cate.mason@partnersand.com

Stacey Elwell
Client adviser

0118 334 8053
stacey.elwell@partnersand.con

Crystal Ford
Client adviser

01752 354 980
crystal.ford@partnersand.com

Advice that makes a difference

Partners&

t +44 (0) 3300 940177
e hello@partnersand.com
w partnersand.com

Connect with us on:

Insurance Brokers Chartered

Investor in Customers Gold 2025