

## **BUSINESS COVERS QUESTIONNAIRE - LIFE ASSURANCE CONTRACTS ONLY**

1. This form should be completed where the total sum assured including existing cover on the life currently being proposed to this office and any other companies exceeds £1,000,000.
2. Financial underwriting is necessary to ensure that the required level of cover is appropriate to the proposer's circumstances. Financial evidence should be obtained and submitted with the proposal to avoid delay in issuing acceptance.

### **ALL INFORMATION WILL BE TREATED AS STRICTLY CONFIDENTIAL**

3. Your answers to the questions on this form will be used to assess the proposal and you must, therefore, answer them fully to the best of your knowledge and belief, since part or all of the sum assured might be forfeited if relevant information has been withheld. If you are unsure whether a particular fact is relevant, you should disclose it.
4. **Signatures.** Please ensure that the declaration on the last page is completed.

### **Sum Assured Guidelines and Additional Requirements**

For sums assured in excess of £2 million, we will also require a copy of the last two years' reports and accounts or for newly-formed businesses, the business plan.

Where a trading loss has been recorded in any of the last 3 years, reports and accounts will be required in all cases.

### **Keyman**

The sum assured should not normally exceed:

10 x the remuneration package of the keyman

*or*

2 x the average gross profit (or 5 x the average net profit) over the last 2 years, attributable to the keyman. Where more than one person is being covered the total cover should not exceed the total profit multiples.

### **Commercial Loan**

For sums assured in excess of £2,000,000 we will also require a copy of the full and final loan offer from the principal lender we will also require a copy of the business plan/presentation to lender.

### **Share Purchase/Partnership**

For sums assured in excess of £2,000,000, we will also require a copy of the Double Option or Buy and Sell Agreement.

**SECTION A - To be completed in all cases**

1. Proposal number/date of proposal (if known) Date

Full name of life to be assured

2. Position held and length of service

3. Are any concurrent proposals being made to other offices? Yes/No

*(Please also confirm if it is your intention to proceed with any of these concurrent proposals).*

If 'Yes', please give details

Company	Sum Assured	Reason for Cover	Type/Term of Policy

4. Please give details of existing policies in force for life, Critical Illness and Income Protection, including death in service arrangements.

*(Please also confirm if it is your intention to replace any of these contracts with this application).*

Company	Sum Assured	Date Effected	Reason for Cover	Type/Term of Policy

5. a) Name of Company/Partnership  
 b) Nature of business  
 c) When was the business established?  
 d) Number of employees

6. What has been the turnover, gross profit and net profit before tax, over the last 3 years?  
(\*Include a projection for the following year)

Month/Year	Turnover	Gross Profit	Net Profit Before Tax
20	£	£	£
20	£	£	£
20	£	£	£
*20	£	£	£

**If a gross or net loss has been reported in these figures, please forward copies of the last two years' reports and accounts.**

**Where the information is unavailable due to recent formation of the Company, please forward a copy of the current business plan including projections.**

7. What percentage of the company's share capital does the life to be assured own?

%

- 8.a) State the life to be assured's personal earnings as assessed for Income Tax for the last two years.

20

20

Salary (as per P60)

Dividends

Bonuses/commission

Share of profit

- b) If the life to be assured received any income from another source please specify.

20

20

Amount

Source

**SECTION B - KEYMAN**

1. On what basis has the sum assured been calculated? (Please tick)
  - a) Multiple of profit Please state multiple
  - b) Multiple of salary Please state multiple
  - c) Any other basis Please give details
  
2. What proportion of the gross profit can be fairly attributable to the keyman?
  
3. Why is the keyman considered valuable?

**Please enclose a copy of the keyman's CV**

4. Is there a service agreement? Yes  No

If 'Yes', please forward a copy or give details, to include remuneration package, contract term, notice period and responsibilities.

5. Is a successor being trained? Yes  No

If 'Yes' please give details.

6. Has the company effected, or does it intend to effect, policies on the lives of other key personnel?

Yes  No

If 'Yes' please give details

Name	Position	Type of Policy	Reason for Policy	Sum Assured	Date Effected



## DECLARATION

I/We declare that the statements made are true and complete to the best of my/our knowledge and belief and that I/we have not withheld any material information that may influence the assessment or acceptance of this proposal. I/We agree that this questionnaire will form part of my/our proposal for life insurance and that failure to disclose any material fact may invalidate the contract.

I/We agree to inform the company in writing of any change in my/our circumstances between the date of this application and the issue of the policy contract. I/We understand that cover will not commence until the first premium has been received and the policy or acceptance letter has been issued.

Signature of  
life to be assured

Date

Signature of  
proposer

Status of  
signatory

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