



## KEY PERSON QUESTIONNAIRE

1. 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.
2. 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 insured 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 declarations are completed.

### **Sum Insured Guidelines and Additional Requirements**

We will require a copy of the last two years' reports and accounts or for newly formed business, 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 insured should not normally exceed:

7 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**

We will require a copy of the full and final loan offer from the principal lender.

We will require a copy of the business plan/presentation to the lender.

### **Share Purchase/Partnership**

We will require a copy of the Double Option or Buy and Sell Agreement.

**PART 1: TO BE COMPLETED BY THE INSURED  
(Section A to D where appropriate)**

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

1. Proposal number/date of proposal (if known) Date:  
Full name of the insured person(s):
2. Position held and length of service:
3. Are any concurrent proposals being made to us or other offices? Yes No  
If 'Yes', please give details

Company	Sum Insured	Reason for Cover	Type/Term of Policy

4. Please give details of existing policies in force for the insured person(s)

Company	Sum Insured	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
	£	£	£
	£	£	£
	£	£	£
	£	£	£

**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 insured person(s) own?

8. a) State the insured person(s) personal earnings as assessed for Income Tax for the last two years

Year		
Salary (as per P60)		
Dividends		
Bonuses/commissions		
Share of Profit		
Other (give details)		
Total earnings		

b) If the insured person(s) received any income from another source please specify

Year		
Amount		
Source		

**SECTION B – KEY PERSON**

1. On what basis has the sum insured been calculated? (Please tick)

- a) Multiple of profit  Please state multiple
- b) Multiple of salary  Please state multiple
- c) Any other basis  Please state multiple

2. What proportion of the gross profit can be fairly attributable to the key person?

3. Why is the key person considered valuable?

Please enclose a copy of the key person'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

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 insured	Date effected

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### SECTION C – COMMERCIAL LOAN

Where a copy of the full and final loan offer from the principal lender is provided, the following questions need not be answered

Please state:

1. Reason for loan
2. Name of lender
3. Name(s) of borrower(s)
4. Amount of loan £
5. Term of loan Years
6. Interest rate %
7. Repayment method (eg. interest only, capital & interest)
8. Is the loan conditional upon the issuing of this policy? Yes No
9. Will immediate assignment be arranged?

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### SECTION D – SHARE PURCHASE AND PARTNERSHIP INSURANCE

1. a) What value has been placed on the business? £
- b) Has the valuation been performed by a professional advisor? Yes No  
If 'Yes', please state the name and qualification of valuer
- c) Please give the basis on which the valuation was reached
2. Number of partners/shareholders in the business?
3. Are policies being effected on the lives of all shareholders/partners? Yes No  
(If 'No' please give reason)

- |    |   |     |    |
|----|---|-----|----|
| 4. | Is the policy to be written in trust for the remaining shareholders/partners?<br><br>(If 'No' please give reason)   | Yes | No |
| 5. | Is there a 'Double Option' or Buy and Sell' agreement<br><br>If 'Yes', please give details of the options/obligations which exist on death<br><br>If 'No', what obligation exists which gives rise to the need for insurance? | Yes | No |

**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 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 contracts. I/We understand that cover will not commence until the first premium has been received and the policy or acceptance letter has been issued.

**Data Protection Act 1998 – Proposer’s Consent Clause**

I/We hereby consent to any information you may have about me/us being processed by you for the purpose of providing insurance and claims handling, which may necessitate your providing such information to third parties.

Signature of  
The Insured Person:

Date:

Signature of  
Proposer:

Date:

Status of  
Proposer:

**PART 2: TO BE COMPLETED BY THE INSURED PERSON(S)**

1. Name: .....
2. Date of Birth: .....
3. Height: .....
4. Weight: .....
5. Do you suffer from defective hearing or vision? Yes    No  
If 'Yes', give details
6. Have you ever suffered from hernia, lower back strain, disc lesion or other physical defect of chronic or recurring nature? Yes    No  
If 'Yes', give details
7. Have you ever suffered from any heart conditions, hypertension, varicose veins, nervous condition, alcoholism, drug addiction or other illness or organic weakness of a chronic or recurring nature? Yes    No  
If 'Yes', give details
8. Have you undergone or have any reason to believe you may need to undergo a surgical operation? Yes    No  
If 'Yes', give details
9. Have any accidents or illnesses prevented you from attending to your business or occupation for periods of more than 14 days during the part three years? Yes    No  
If 'Yes', give details
10. Apart from any matter you have already described, are you now in and do you generally enjoy good health? Yes    No  
If 'No' give details
11. Have you ever been declined or accepted on special terms for life, accident or illness insurance, or have any Insurers ever cancelled or declined to renew your policy? Yes    No  
If 'Yes' give details

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Proposer:

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