

# BUY-SELL FAILURE TO SURVIVE

“Providing Unique  
Solutions For The  
Corporate World”

FOR

- Business Buy-Sell
- Short Term Coverage
- Mergers & Acquisitions



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# BUY-SELL FAILURE TO SURVIVE

## BUY-SELL FAILURE TO SURVIVE

Any business with two or more owners should seriously consider having a buy-sell agreement in place. Once the buy-sell agreement has been established then there is the important need to provide a mechanism for funding the transfer of ownership should something happen to one of the owners. It is the unexpected situation of a premature death or disability which normally is the cause for alarm. The firm's assets are at risk and it is the job of the Buy-Sell Failure to Survive Plan to provide a solution to this situation.



### Policy & Underwriting Information

- Term of Insurance up to 5 years
- Renewals are considered if continued coverage is needed
- No medical exam or medical records required to apply
- A copy of the Buy-Sell Agreement and company financials are required at underwriting
- Benefit amount will not be able to exceed 100% of the ownership value

### Coverage would be appropriate for clients when...

- Coverage is needed quickly
- Insurable interests need to remain confidential
- Completing a medical exam would be an issue
- Proposed insured is temporarily out of the country
- Proposed insured must travel to war zones
- Coverage is needed for a short period of time
- Health issues are a concern
- Issue limits are a problem

This is not intended to be a complete outline of coverage. Actual wording may change without notice. Underwriters reserve the right to modify terms and benefits at time of underwriting.

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## Exclusions

1. Infectious or Contagious Disease during a Public Health Emergency of International Concern as declared by the World Health Organization.
2. Suicide, intentional self-injury or the voluntary disappearance of the insured person.
3. Active participation in terrorism or war.
4. Nuclear, biological or chemical exposure as a result of terrorism or war.
5. While committing or attempting to commit a felony.
6. Any emotional or psychiatric problems, including but not limited to neurotic disorders such as anxiety, phobias, depressions, dissociative disorders and obsessive compulsive disorders; psychotic disorders such as schizophrenia, paranoid psychosis and affective disorders; and personality disorders such as sociopathic personality.
7. Taking of illegal drugs, or addiction or misuse of prescription or non-prescription drugs.
8. Alcohol abuse or addiction, being under the influence of alcohol, as defined by the vehicle code of the state or province in which the offense has occurred.
9. Human Immune Deficiency Virus (HIV), Acquired Immune Deficiency Syndrome (AIDS), AIDS Related Complex (ARC) or any virus, complex or syndrome that is related to the foregoing or any sexually transmitted disease.

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**PETERSEN**<sup>®</sup>  
INTERNATIONAL UNDERWRITERS

Producer #: \_\_\_\_\_

## BUY-SELL FAILURE TO SURVIVE APPLICATION FORM

Policy Owner/Beneficiary (Not the insured): \_\_\_\_\_

Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Address of Policy Owner: \_\_\_\_\_

Type of Business: \_\_\_\_\_

## PROPOSED INSURED PERSON INSURABILITY

**This section must be completed by the proposed insured person.**

Name of Insured Person: \_\_\_\_\_

Date of Birth: \_\_\_\_/\_\_\_\_/\_\_\_\_ Height: \_\_\_\_\_ Weight: \_\_\_\_\_

Occupation: \_\_\_\_\_ Daily Duties: \_\_\_\_\_

Period of Insurance: \_\_\_\_\_

**If "Yes" is answered for any of the following questions please provide full details in the space below. If there is not sufficient space, please attach your answers on a separate sheet.**

1. Do you have any physical health problems or suffer from, been diagnosed with, received treatment for, or been prescribed treatment for any condition related to, or from a sickness of any kind?  Yes  No
2. Have you ever been diagnosed with a heart condition, high blood pressure, diabetes or cancer?  Yes  No
3. Have you at any time been physically or mentally unable to work during the last 12 months?  Yes  No
4. Have you ever been declined, postponed, or accepted on special terms for life, accident or illness insurance?  Yes  No
5. Do you intend to engage in hazardous sports or any activities that expose you to personal injury?  Yes  No
6. Any foreign travel planned during the proposed period of insurance? *If "Yes", please include location(s), anticipated length, and frequency of travel.*  Yes  No
7. Do you hold a valid pilot license? *If "Yes", please include average piloting hours and type(s) of aircraft to be flown.*  Yes  No
8. Have you ever had any criminal convictions?  Yes  No

Dates & Details to all "YES" answers to questions #1-8 \_\_\_\_\_

## FINANCIAL INSURABILITY

Requested Benefit Amount: \$ \_\_\_\_\_

Please indicate the total financial loss in the event of death of the Insured. If any other financial documentation is available please send along with this application.

1. Ownership percentage of the insured person. \_\_\_\_\_
2. Value of the ownership. \_\_\_\_\_
3. Please submit the past two years Corporate/Company Tax Returns (all schedules).

### Declaration (The Applicant must read this before signing)

I am aware that the policy wording contains exclusions in coverage in respect of AIDS, HIV, suicide, alcohol and drugs. To the best of my knowledge and belief the information provided in connection with this application, whether in my own hand or not, is true and I have not withheld any material fact. I understand that non-disclosure or misrepresentation of a material fact will entitle underwriters to void this insurance. (A material fact is one likely to influence acceptance or assessment of this application by underwriters.)

Insured's Name: \_\_\_\_\_ Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Policy Owner's Name: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_