

INSURING YOUR KEY PEOPLE

It's so easy to have our physical assets covered but what about human capital risk? This is an area that is often ignored and probably because we find it harder to imagine.

Whether it's your business partner or one of your key employees, your business is at risk if you don't have a cover in place for the loss or incapacity of these key people.

WHEN IS THE BEST TIME?

Now! It cannot be tomorrow or the next day or when finances permit, that's too late. You're at risk from day one.

It's tempting to think that we will get by without needing such cover, but here are some interesting statistics for you to digest that I sourced from NZBusiness.co.nz.

There is a 13% chance of anyone dying before the age of 60. But look at this statistic:

If there are four partners involved in a business, there is a 31% chance of one of the business partners dying before age 65 and a 46% chance of temporary disablement.

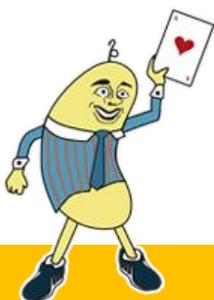
DO I HAVE YOUR ATTENTION?

We obtained quotes for cover in the following situations to give you an indication of the annual premiums that would be required:

1. \$250,000 insurance cover to buy out your business partner in the event of their death or permanent disability.
2. \$100,000 insurance cover for a key employee who might be "out of action" for (say) six months.
3. \$100,000 insurance cover for critical illness should an owner suffer (say) a heart attack.

Please note that the premiums assume the insured is in reasonable health at the time the cover is taken.

As we said above, the best time to take cover is ... NOW!



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