Business Protection financial questionnaire

Questions for the cover owner

We need further information to help assess the application because of the level of insurance cover applied for. The information you provide here will form part of your contract with us and it is therefore important that you answer the questions fully and accurately.

Please complete the following questionnaire and send it, along with any documents we have asked for, to:
Freepost RTBL-CRKE-JJZE, AIG Life Limited, PO Box 12010, HARLOW CM20 9LG.

Person to be covered	
Date of birth	
Cover owner	
AIG Application Number	

We require you to send us copies of finalised accounts covering the last three years along with this signed questionnaire. If there are any missing accounts for this period, please explain why in section E.

Section A - Business details - please complete in all cases

1. What is the reason for taking out this cover? Please tick all relevant answers

☐ Commercial lending
(Complete sections A, C and F)

☐ Key person / loss of profits / role replacement protection
(Complete sections A, B, F as well as section C if you also seek key person loan cover)

☐ Shareholder or partnership protection
(Complete sections A, D and F)

☐ Investor protection / management buyout or buy-in / venture capital cover
(Complete sections A, B, E and F)

☐ Business buy-to-let protection
(Complete sections A, C and F)

☐ Another reason
(Please provide us with the reason below and complete sections A, E and F)

Questions about insurance on the person to be covered:

2. Please give details of all existing cover, as well as planned and concurrent applications being made to AIG Life Limited or to any other insurer. Please include details of cover for personal and business reasons.

Insurance company	Type of cover (e.g. Life, CI, TPD)	Amount of cover	Reason for c over	Policy number	Will it be replaced by this new AIG cover?
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No

Questions about insurance for the cover owner:

3. Have you applied for, or do you plan to apply for life insurance or critical illness cover with AIG Life Limited or any other insurance company, to insure any other director or employee of the business? If yes, please explain why below

☐ Yes ☐ No

Role and name of person covered	Insurance Company	Amount and type of cover	Reason for cover	Policy number	To be replaced by the new AIG cover?
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No

4. What is the trading name of the owner of this cover?

5. What is the type and nature of the business?

6. How long has the business been trading?

7. How many people are employed by the business?

8. What percentage of the business is held by the life to be covered?

9. Please give business financial figures which match the following circumstances:

a. Projected figures where the business has been in existence for less than three years; *or*

b. Accounts which have been approved but not yet submitted to Companies House; *or*

c. The business has abbreviated accounts which do not include these figures; *or*

d. We have specifically advised you that copies of accounts are not needed.

Year	Turnover	Gross profit	Pre-tax net profit
	£	£	£
	£	£	£
	£	£	£

10. If there has been a loss in gross or net profit in the last three years, please explain why.

11. Please provide details of the person to be covered's taxable income for the last three years.

Year			
Basic income	£	£	£
Dividends	£	£	£
Bonus – give details	£	£	£
Commission	£	£	£
Other – give details	£	£	£
Total	£	£	£

Please explain any other income and confirm whether any bonus is guaranteed or variable.

Please now complete sections B,C,D or E depending on the reason for insurance cover.

Section B - Key person cover

A copy of the key person's service agreement or CV may be required.

1. Existing key person cover for the cover owner:

   Do any other employees or directors of the business hold existing key person cover?

Role and name of person covered	Insurance Company	Amount and type of cover	Reason for cover	Policy number	To be replaced by the new AIG cover?
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No

2. Why is the person to be covered considered key to the business?
   (Please explain what special skills or knowledge they bring to the business and their duties/responsibilities)

3. What percentage of the gross profit is attributable to the person to be covered?
   (Profit that would be affected by their death or critical illness, as defined in the policy)

4. Will any of the benefit, payable on a claim, be passed to the person to be covered? If yes, please explain why. ☐ Yes ☐ No

5. Please explain how the sum assured has been calculated

Is this a multiple of profit? (If yes, please state the multiple, why it was selected and if gross or net)

☐ Yes ☐ No

Is this a multiple of salary? (If yes, please state the multiple and why it was selected)

☐ Yes ☐ No

Other calculation (please explain)

Please also complete section C if the reason for this cover is because a loan agreement requires insurance against the person to be covered.

Section C - Commercial loan cover

If you seek commercial loan cover, we must see a copy of the loan agreement. Answers 1 to 7 may not need to be answered if the information is clearly shown in the loan agreement(s).

If there are multiple loans and lenders, please provide a schedule providing full details of the loans to ensure all of the questions below are answered.

1. What is the name or names of the borrower/s as written on the loan agreement?

2. Who is the lender?

3. What is the amount of the loan? If it is different from the amount of cover applied for, please explain why.

4 . What is the term of the loan? If it is different from the term applied for, please explain why.

5. What is the repayment method?

	Interest only
	Capital and interest

Other (please explain)

6. What is the rate of interest?

7. What is the reason for the loan?

8. Other than the person to be covered, is anybody else taking out cover for this loan or has anybody else already has done so?

☐ Yes ☐ No

If yes, how many people?

Please complete the following details about the people who have cover, or who will be covered for the loan

Role and name of person covered	Insurance Company	Amount and type of cover	Reason for cover	Policy number	To be replaced by the new AIG cover?
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No
					☐ Yes ☐ No

9. Is it a condition of the loan that insurance cover is required for all those applying for cover or for those who already have cover in place? If no, please explain why the business is seeking to buy insurance.

☐ Yes ☐ No

10. If the loan is an existing rather than a new loan, are payments up to date? If no, please explain why.

☐ Yes ☐ No

Section D - Shareholder/partnership cover

An independent valuation of the business may be required if you are applying for shareholder or partnership cover. **Question 1 will not need to be answered if the valuation report covers the answer.**

1. What is the value of the business? Please explain how it was valued and who valued it.

2. Is there a 'buy and sell' double option agreement or a similar agreement in place? If no, please explain why.

☐ Yes ☐ No

3. How many shareholders or partners does the business have and what percentage of the business does each person hold?

4. Have all the shareholders or partners in the business applied for partnership/shareholder cover, or do they already have existing shareholder or partnership cover? If no, please explain why.

☐ Yes ☐ No

5. Does the business or partnership agreement detail the need for this cover? (This should include specific mention of critical illness cover/total permanent disability if applied for). If no, please explain why.

☐ Yes ☐ No

Section E - Additional information

If the reason for insurance is not covered by sections B, C or D, please tell us the reason for the cover and how the sum assured has been calculated.

If the insurance is being sought to provide the investor protection/management buyout or buy-in/venture capital cover, please provide us with the following information:
Name of deal
Target completion date
Type of deal (MBO/MBI etc.)
Deal value
Description
Venture capital/investment firm
Bank
How the sum assured has been calculated
A copy of the agreement may be required.

Section F - Declaration

I declare that I have answered all the questions fully and accurately and that the statements I have made are true and complete to the best of my knowledge and belief. I agree that this questionnaire will form part of the application and that failure to answer all of the questions truthfully may result in future claims being reduced or declined. I understand you will not send me a copy of this form with my Application Details, and I have kept a copy where I wish to do so.

I understand that the cover will not start until the online declaration has been approved and until the start date has been reached.

Signature of the contract owner:	
Full name:	
Job role:	
Date:	

If the contract owner (otherwise know as the owner of the cover) is the life to be covered, we require another business official to sign this form (e.g. Managing Director, CFO, Company Secretary, Finance Director).

I confirm that the information provided above is true and complete.

Signature of the business official:	
Full name:	
Job role:	
Date:	

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AIG

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