



CONTRACTUAL PERFORMANCE INDEMNITY BANK LOAN

Client

A 38-year-old CEO of a national Neuromonitoring Group.

Situation

The client put down \$1 million for the purchase of a \$7 million G7 jet and didn't want to wait the 30+ days for the traditional life insurance coverage required by the lender to be in place. The advisor on the case was tasked with securing \$6 million of life insurance for the client to fulfill a bank loan requirement.

Assessment

In the event of the CEO's death, the bank would take a \$6 million loss if life insurance wasn't procured. With 4 business days to find a solution for the client, the advisor turned to Exceptional Risk Advisors.

Solution

Exceptional Risk Advisors designed a custom contractual performance indemnity solution for the CEO of \$6 million in life insurance for 120 days or until traditional life insurance was obtained. Furthermore, if the traditional life insurance was not placed within 120 days, the CEO had the option to extend coverage for an additional 30, 60, or 90 days.

Result

The contractual performance indemnity coverage allowed the CEO to successfully fulfill the bank loan agreement and immediately fly in the newly purchased jet.

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