



EXCEPTIONAL RISK ADVISORS

KEY PERSON DISABILITY CEO & OWNER

Client

The CEO and owner of a successful commercial energy construction business.

Situation

A private equity investor recently purchased 51% of the CEO's commercial energy construction business. As part of the transaction, it was mandatory that the company acquire key person disability insurance on the CEO as stated in the firm's newly established operating agreement.

Assessment

It was made apparent to the investor should the executive be unable to perform their duties, the company would cease to grow and develop. With the task in hand, the advisor reached out to Exceptional Risk Advisors to access and underwrite high limit key person disability coverage.

Solution

Exceptional Risk Advisors designed a custom Key Person Disability solution to the tune of \$3 million to protect the investor's stake in the business. The policy, which was owned by the private equity investor, was designed to pay a lump sum distribution after a 12-month elimination period.

Result

The Key Person Disability policy satisfied the investor and fulfilled obligations stated within the operating agreement. The equity investor could rest easy knowing there was a real solution in place should the unthinkable happen to the CEO. As a note, the successful placement of this case led to additional discussions with the investor who is now engaged in review for the placement of \$50M permanent life insurance to protect his family's estate.

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