

# Business protection overview

Having a business protection strategy is fundamental to good governance of a business. Your Business Protection Overview will ensure that your company's growth strategy isn't compromised and **the value you are building into the business is protected.**

## Why Business Protection is vital

When you are building a business, having a robust business protection strategy is vital to ensure that any unexpected events which may have a negative financial impact on the business are mitigated. It also shows good governance when looking to exit the business. Showing you have covered off risk gives buyers or investors confidence.

Business Protection is a fundamental part of the Core offering, especially as you grow internationally. Key members of your team need to be protected just as though they were a cash generating machine in the office or factory. You can't afford it to break down – either temporarily or permanently. Cash flow is the life blood of a business.



- Protects the value in your business
- Mitigates the financial impact on the business of any unexpected events
- Attracts and retains quality employees
- Ensures good corporate governance
- Helps ensure your growth isn't compromised
- Gives potential investors confidence



Business protection is a way of helping to protect your company against possible financial losses in the event of the absence, death or critical illness of a business owner or key individual. Its purpose is to mitigate the risk and financial impact of the loss of any of the people in a business whether temporary or permanent. It can help ensure your business survives and continues trading during difficult circumstances.

### The benefits

**Share Protection** – shareholder agreements and partnership agreements are all very well but unfunded agreements are only useful if the company retains enough cash to be able to buy the shares of a retiring, critically ill shareholder or a deceased shareholder's estate. Share protection policies allow you to be your own banker and retain full control of your company with certainty of the outcome should disaster strike.

**Key Person** – any key employee whose absence would have a negative affect on cashflow and profit will need to be replaced either temporarily or permanently depending on the situation. This can include recruitment, relocation, salary and package, and returning to the same level of contribution to profit costs. Having a subs bench is critical to being able to win the game.

**Loan Protection** – many finance deals include directors signing personal guarantees. This means if for any reason the business can't fund the loan those liable will have to settle from their personal estate. Directors loans and pension arrangements are also immediately payable to



the estate of a deceased director. Having protection in place ensures you never have to worry about company debts falling back on your family.

**Staff Benefits** – Death in Service, Group Income Protection, Group Critical Illness and Private Medical Insurance are a way of attracting and retaining quality staff. If people are looking to move to or away from your company the benefits package will always be a consideration. Don't let the competition entice your prize assets away, build loyalty and a positive culture, it makes good business sense.

*At Core we have a highly skilled team with many years experience who can help you develop and implement your business protection strategy.*

**Call us now on +44 (0)1695 732543 and see how we can help protect your business, your employees and your assets.**