

# KEY PERSON UNDERWRITING GUIDELINES

CARRIER	KEY PERSON MULTIPLE	VENTURE CAPITAL/PRIVATE EQUITY KEY PERSON
ANICO	10 x annual income to determine typical maximum face amount. For ages under 50, consider using 15 x in well established, profitable businesses. Consideration of other compensation particularly when proposed insured is an owner of the company ( Bonus and stock options, for example). Business Financial Questionnaire Required. For amounts over \$3million, Inspection Report with a Business Beneficiary Report and third party verified business financial statements from the last 2 years required.	Individual Consideration
Corebridge	10 times compensation (Salary + Bonus)	Generally allow no more than 50% of principal investment.
Equitable	10 times Salary	Case by Case
F & G Annuities & Life	10-20 times key persons income	N/A
Foresters Financial	10 times Salary; Fraternal guideline consideration also	Case by Case
Global Atlantic	10 times Compensation typically. For ages <70, we will consider up to 15x's income for established businesses with unique business/individual dynamics. Special expertise consideration can be given if documentation or proven ability to generate income or profits is provided.	Generally allow 50% of the investment in lieu of compensation.
John Hancock	Generally, underwriters will consider a death benefit of 5 - 10 times income, but for key employees of well-established businesses, underwriters may consider 15 - 20 times total compensation with a detailed cover letter.	Individual Consideration
Legal and General	Ages 64 or less: Up to 10 times the applicant's annual income (salary and bonus) Ages 65 - 70: Up to 5 times the applicant's annual income (salary and bonus) Ages 71 and above: Individual consideration when facts and financial data demonstrate a significant loss to the company.	Individual Consideration
Lincoln Financial	For ages 69 and under, generally consider up to 10 times the compensation. We will consider up to 20 times compensation for unique circumstances based on the type of business, the importance of the key person to the success of the business (i.e. patent holder, company founder who is the public face of the company). For ages 70 and up, the multiple should be up to 5 times the compensation.	Generally allow 25% of the investment in lieu of compensation.
MassMutual	Under age 60: 10-15x employee's salary. Amounts >15x individual consideration by OOHU. Over age 60: 5-10x employee's salary	<75% loan or principle investment depending on loan term and business details.
Mutual of Omaha	Generally 10 - 15 times earned income plus bonuses if paid regularly as part of a company bonus plan.	Normal limits apply
Nationwide	Generally 5 - 10 times earned income plus bonuses if paid regularly as part of a company bonus plan.	Normal limits apply
New York Life	Generally, underwriters will consider a death benefit of 5 times income, but for key employees with ownership interest of well-established businesses, underwriters may consider more depending on total compensation with a detailed cover letter.	Normal limits apply
North American	Generally a maximum of 10 times earned income and bonuses derived from the company. The amount of key person coverage allowed varies and depends on the role of the proposed insured in the business, the proposed insured's income, and value to the business.	Normal limits apply
Principal	10 times Compensation	Generally allow 25% - 50% of the investment in lieu of compensation.
Protective	The face amount allowed is based on the income of the key person being insured and is generally limited to 5 times-10 times salary. Verification of income may be required.	Case by Case
Prudential	5 - 10 times annual compensation. More may be considered depending on economic value to the company.	Normal limits apply
Sagicor	5 - 10 times annual compensation. More may be considered depending on economic value to the company.	Case by Case
Securian Financial	Annual Income plus bonus multiplied by: •Ages ≤ 50: 12 times •Ages 51 - 60: 9 times •Ages 60+: 5 times	Normal limits apply
Symetra	Typically, 10 to 15 times the key person's income. Amounts as high as 20 times the income may be warranted on a case-by-case basis.	Normal limits apply
Transamerica	Annual Income plus bonus multiplied by: •Ages ≤ 65: 10 times •Ages 66 - 70: 5 times •Ages 71+: Individual Consideration	Normal limits apply

