

KEY PERSON LIFE INSURANCE

Help protect your investment in your top employees



Not a bank or credit union deposit, obligation or guarantee. May lose value.
Not FDIC or NCUA/NCUSIF insured. Not insured by any federal government agency.

Every company—big or small—has key employees who contribute to its success through their leadership, innovation, skills and experience.

The loss of a key employee can severely impact the business until a replacement is found. Help protect your company with key person life insurance from Symetra Life Insurance Company. For more than half a century, Symetra has helped businesses find solutions to stay in business.

Purpose of key person

Key person life insurance provides coverage on the life of an owner or other highly valued employees. The company owns and pays the premiums on the policy and is named as the beneficiary.

If a covered employee dies while the policy is in-force, the business receives a death benefit that can be used to help:

- Replace lost profits
- Protect credit position
- Provide a financial cushion
- Recruit a qualified replacement
- Offset lost business value

Candidates for key person

You should consider key person life insurance if the financial future of your company depends on an employee's specialized skills, knowledge or influence. Generally, creditors also require key person insurance for one or more members of the management team when lending to a new business or venture.

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How key person works:

Identifying key people

Generally, the following criteria describes a key employee:

- Highly compensated
- Managerial responsibility
- Special skills unique to the business
- Responsible for sales or manufacturing
- Strong relationships with key industry contacts

Income tax considerations

- > **Premiums**
Life insurance premiums are not tax-deductible by the business or the insured.
- > **Cash values**
The policy's cash value grows on a tax-deferred basis.
- > **Death benefit**
The death benefit is generally free of federal income taxes.

Contact your insurance professional for more information.

1 Identify key employee and calculate funds the business would need if the employee dies (an insurance professional can assist with this).



2 Purchase insurance policy on the life of the key employee and pay annual premiums.¹



3 Symetra Life Insurance Company issues policy.

Insured Person:
Key employee

Policyowner:
Business

Beneficiary:
Business

Why Symetra?

Three guiding principles form the foundation for how we make decisions: **Value, Transparency and Sustainability**—or **VTS**. Simply put, **VTS** defines how we do business inside and out. What does it mean?



- **Value:** Products and solutions people need at a competitive price—backed by dedication to excellent customer service.
- **Transparency:** We communicate clearly and openly so people can understand what they are buying.
- **Sustainability:** Our products stand the test of time. We're financially disciplined so we'll be here when customers need us.

To learn more about Symetra, visit www.symetra.com.



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This material is not intended to provide investment, tax or legal advice. Consult your attorney or tax professional for more information.

¹ Under IRC Sec. 101 (j)(4), the insured must sign a notice and consent form prior to the life insurance being issued.