

Business owners life insurance guide

Designed for BGAs and Advisors: Helping your clients protect their businesses with confidence

Our business-owned life insurance approaches are tailored to provide **seamless processes, competitive underwriting and reliable coverage** that help empower your clients to make informed decisions.

This guide is designed to clarify our processes, underwriting advantages and why you should choose Banner Life Insurance Company and William Penn Life Insurance Company of New York, Legal & General America companies, as your go-to carriers for business-owned life insurance cases.

Business loan insurance overview

How we support business loans

- We offer coverage up to 80% of uncollateralized loans and 100% if assigned as collateral.
- For SBA 7(a) loans up to \$5M, no personal financial statements are required – only the approval document.
- Our process ensures policies align with business financing needs, avoiding delays in loan approvals.

Application and underwriting process

Required information:

- Business details (name, tax ID, address, type of business).
- Loan details (amount, purpose, duration).
- Business financial history and tax filings.

Collateral assignment process:

- Policy must be placed in force before assignment.
- Submit Collateral Assignment Form with proof of identification.
- If business-owned, an authorized officer must sign the assignment.

How we approach financial underwriting and business valuation

- Flexible financial justifications: Competitive evaluation of business financials.
- Business valuation multiples:
 - 1x sales revenue
 - 10-15x net earnings
 - 4-5x EBITDA

What sets us apart?

- **Streamlined underwriting:** Competitive financial justifications and flexible underwriting for business needs.
- **Fast and digital application process:** Simple e-application with secure online completion.
- **High limits and competitive pricing:** Expanded accelerated underwriting up to \$4M with strong retention limits.
- **Dedicated support:** A knowledgeable team to support BGAs and advisors in structuring business cases efficiently.

Business-owned life insurance guide

Buy-sell insurance

Structuring buy-sell agreements with confidence

- Entity purchase agreements: The company funds the policy for all owners.
- Cross-purchase agreements: Individual owners purchase policies on each other.
- We provide competitive financial underwriting, making high-value policies easier to secure.

Key application requirements

Required information:

- Business details (name, tax ID, ownership structure).
- Percentage share of ownership.
- Business financial documents supporting valuation.

Signatory requirements:

- If equal 50/50 share split, partners sign for each other.
- If unequal, majority shareholder signs for all except their own.
- A President, CFO or authorized officer signs for the majority shareholder.

Beneficiary designation:

- Business or business partners, as dictated by the buy-sell agreement.

Key person insurance

Ensuring business continuity for your clients

- Key Person insurance protects against financial loss from the unexpected passing of a crucial executive.
- We offer key person multipliers up to 20x an applicant's annual income.
- We work with advisors to ensure policies align with business stability goals.

Key application requirements

Required information:

- Business details (name, tax ID, address, type of business).
- Key person's role, contribution, and financial impact.
- Business financial statements for underwriting.

Signatory requirements:

- Must be one of the following:
 - Proposed Insured
 - Equal Partner (50/50 split)
 - Majority Shareholder
 - Officer of the Business (CEO, CFO, etc.)

How we make business insurance easy for advisors:

A seamless application process

1. Advisor submits the application via preferred platforms.
2. Client receives a secure link to complete the application online.
3. Business details and underwriting information entered digitally.
4. Expedited underwriting review and approval.
5. Policy placed in force and electronically delivered for quick access.

Business-owned life insurance guide

Stock redemption insurance

How we simplify stock redemption cases

- The corporation is always the Owner, Payor and Beneficiary.
- Our underwriting process ensures fair valuation of shares and expedited approvals.
- We require minimal paperwork, ensuring advisors can quickly secure coverage for their clients.

Key application requirements

Required information:

- Business details (name, tax ID, ownership structure).
- Shareholder details and ownership percentage.
- Financial documentation supporting business valuation.

Collateral assignment process:

- If equal 50/50 share split, partners sign for each other.
- If unequal, majority shareholder signs for all except their own.
- A President, CFO or authorized officer signs for the majority shareholder.

Why BGAs and advisors trust us:

We're committed to empowering advisors with business-friendly life insurance solutions that drive success. With efficient processes, competitive pricing and a partnership-driven approach, we help BGAs and advisors bring more value to their clients.

Let's grow together — connect with your team today to explore our business-owned life insurance solutions!

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