



Aegon factsheet tests firm's backup plans

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Aegon has produced a factsheet highlighting the importance of businesses adequately protecting their key individuals and stakeholders.

It is estimated that up to 10 per cent of companies in the UK have a key person cover, according to The Insurance Report by Swiss Re published in 2005.

The business continuity and succession planning factsheet highlights the likelihood of at least one partner or director of a small to medium-sized enterprise either contracting a critical illness or dying.

The factsheet also highlights the benefits to the company, employees and families of having key person and/or shareholder protection in place.

Stephen Crosbie, head of proposition, protection and investments for Aegon, said it is hard to believe that businesses continue to neglect to cover their single biggest asset, their employees, despite being willing to insure other elements such as premises and equipment.

Mr Crosbie said: "This factsheet gives business owners some questions to think about when considering their business continuity and succession plans which is something all businesses should do.

"Business continuity and succession planning for many companies may not be high on their priority list. However, losing a key employee could have a devastating effect financially on their business."

Peter Chadborn, principal of Colchester-based adviser CBK, said that the fundamentals between personal and business protection are the same but there are differences in assessing the final outcome of the event.

He said: "We keep hearing about business protection market and unless you have experience in this area it is difficult to crack.

"If the new factsheet educates the adviser and that helps the adviser with their business that has to be a good thing."

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