Shareholder Protection

What is Shareholder Protection?

Shareholder Protection provides continuity for business owners from the risk of one or more shareholders being diagnosed with a critical illness, terminal illness or passing away.

Why does my business need Shareholder Protection?

If a shareholder or partner in your business were to die or be diagnosed with a critical or terminal illness and was unable to work, could you afford to continue trading?

Shareholder Protection allows business owners to buy back the shares held by co-shareholders.

An agreement is created when setting up the policy that determines how the shares should be valued.

Shareholder Protection is designed to help surviving owners minimise disruption to the business.

Tax implications

We suggest you speak to a legal advisor and accountant to discuss how this relates to your individual tax circumstances.

Why is an agreement needed?

An agreement ensures that the business owners' wishes are followed if another owner dies. It also ensures that the shares remain with the surviving business owners. The agreement prevents shares from going to someone with no interest in the business or another company that might mount a takeover bid.

How much cover is needed?

Knowing how much cover to put in place can be tricky. However, there are various options available. Our team can help you work out the most appropriate method for your requirements.

Cover options

Shareholder Protection can be arranged as a life only plan or combined life and critical illness insurance plan. Sums assured between life cover and the critical illness cover must be the same.

Speak with our specialist team

Ready to future-proof your business and support your people, get in touch. **ebenquiries@thecleargroup.com**

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