



# Contractual Protection Insurance

In the fast-paced world of business, where timing and precision often dictate success, the ability to execute transactions swiftly and securely is paramount. The integrity of any contractual agreement relies on all parties fulfilling their obligations as promised, which is why insurance plays a critical role in safeguarding against unforeseen events such as death or permanent disability.

Whether mandated by the contract or simply a prudent measure, having the right protection in place can be the key to ensuring a deal reaches completion. When traditional life underwriting may cause delays or domestic market insurance options are unavailable, contractual protection insurance (CPI) offers a timely solution. With coverage that can be bound within 24 to 48 hours, CPI provides essential protection, helping to keep transactions on track and business moving forward.

## Highlights

- Third-party contractual needs only
- Option to renew at policy expiration
- Coverage obtainable within 48 hours
- 24-hour worldwide coverage
- Protection from disappearance or death for any case
- No medicals required

## Client Profiles

- Advertisers/sponsors
- Business owners and managers
- Lenders
- Media producers
- Mergers and acquisitions
- Talent agents
- Venture capitalists

## Product Overview

- Standard policy terms
  - Short-term: 30, 60, 90, and 180 days
  - Long-term: One and two years
- Medical underwriting: Application
- Financial underwriting: Key person letter detailing contract provision and justification of sum insured
- Confidential insurance interests: Not to be disclosed to insured
- Non-convertible coverage
- Short rate return of premium on long-term policies for cancellations
- Benefits not to exceed loss due to non-performance of contract

## Standard Exclusions

- Acts of war
- Criminal acts
- Nuclear, biological, or chemical contamination
- Military service



## Success Stories

Just before a company acquisition was set to close, the deal was delayed because key person life insurance on the founding executive hadn't been secured. To keep things moving, Hanleigh quickly issued a 60-day temporary policy while traditional coverage was still being underwritten.

A chief financial officer (CFO) who was also a major shareholder required key person insurance for a \$25 million loan the company had taken from a bank. Because of the CFO's medical history, regular insurance companies wouldn't provide coverage. However, Hanleigh stepped in and provided a one-year CPI policy for the full amount, with the option to renew.

A Fortune 400 company had to provide life insurance for a former executive as part of a severance deal. The coverage had to start the date of termination, but the company couldn't get the executive to take a medical exam. Hanleigh stepped in and provided \$1.6 million in CPI for the required 24 months — without needing the executive's participation.

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