

Life's better with

Vitality

Shareholder and Partnership Protection.

Business Protection from VitalityLife.

With Shareholder and Partnership protection, you give the company you've worked so hard to build an extra degree of long-term stability and reassurance, should anything ever happen to you or your business partners.

That's because, in the event that one of your business owners suffers a terminal illness or passes away, we'll pay a lump sum to enable the surviving owners to buy their share of the business - ensuring the future of the company stays in safe hands.

Good Health is Good Business

We understand how strong the link is between employee health and business performance. This is where our Shareholder and Partnership Protection can help - not only does it provide cover but employees also gain access to the Vitality Programme which encourages business owners to take steps towards a healthier future.

Vitality Optimiser

You can add our Vitality Optimiser to your plan which provides you with the opportunity to receive an upfront discount on the premiums you pay for your cover and a further annual discount if directors and employees take steps to engage with their health through the Vitality Programme.

How Vitality Optimiser could change your premiums.

Bronze	Sliver	Gold	Platinum
2%	1%	0%	-1%

Why VitalityLife?



The right plan for your business

We offer three levels of protection to suit you - Key Person Protection, Shareholder and Partnership Protection and Business Loan Protection.



Award-winning Serious Illness Cover for Business option

Offering protection against more conditions than any other insurer, if one of your employees suffers a serious illness, it gives you a severity-based payout.



More cover options

We also offer Disability Cover for business, providing a full payout for conditions that lead an employee to retire; Guaranteed Insurability Option and Waiver of Premium.



It's easy to apply

Our Vitality Nurses can visit you at your own home, place of work or at a place that's convenient for you, to carry out your underwriting screening in minutes.



The Vitality Programme

Included in your plan, it rewards you and your employees for making positive lifestyle choice with real financial benefits.

Tailor your plan to suit your business requirements.

Title	Own life in trust	Life of another	Company share purchase
Plan owner	Shareholder	Shareholder	Shareholder
Trusts	Plan is placed under Business Trust with all shareholders as trustees at outset.	Not required	Not required.
Cross-option agreement	The shareholders enter into a cross option agreement.	The shareholders enter into a cross option agreement.	The shareholders enter into a cross option agreement.
Single option agreement	When using Serious Illness Cover for Business or Disability Cover for Business, this allows the claimant shareholder to sell their shares to the co-owners.	When using Serious Illness Cover for Business or Disability Cover for Business, this allows the claimant shareholder to sell their shares to the co-owners.	When using Serious Illness Cover for Business or Disability Cover for Business, this allows the claimant shareholder to sell their shares to the company.
Paying the premiums	Premiums may be paid by shareholders from post tax income. The company may pay the premiums on behalf of the shareholders.	Premiums may be paid by shareholders from post tax income. The company may pay the premiums on behalf of the shareholders.	The company will pay the premiums. Premiums will not normally be a deductible expense for Corporation Tax purposes.
Receiving the Sum Assured	The plan proceeds will be paid directly to the trust.	The plan proceeds will be paid directly to the plan holder.	The plan proceeds will be paid to the company.
The benefits	<p>Flexibility - new joiners and leavers fit easily into existing trusts.</p> <p>Certainty - company law preventing a share purchase doesn't apply here.</p>	<p>Straightforward - no trust forms to fill in. Premiums are automatically equalised, as the plan holder's premium is proportionate to the benefit they'll receive.</p>	<p>Tax efficient - premiums are not subject to personal Income Tax or National Insurance.</p> <p>Simple - no need to equalise premiums or fill in trust forms.</p>

How does Shareholder and Partnership Protection work?

Including Serious Illness Cover for Business with Protector

GR Gardens Ltd is owned equally by Sophie and Mike. They agreed that the shares would pass to their respective spouses. However, when questioned, it became apparent that neither of their spouses would want to have any involvement in the company and they would want to sell any shares inherited.

Sophie and Mike each opened a VitalityLife Business Protection Plan with Shareholder and Partnership Protection for the value of their respective shareholdings (£500,000). Each included Life Cover and Serious Illness Cover for Business with Protector.

Both plans were put into a Flexible Business Trust, with the beneficiaries being all shareholders of GR Gardens Ltd. Sophie and Mike also completed two Option Agreements: a Cross Option to cover death and a Single Option covering serious illness. These provided the legal framework for the solution.



Two years later, Mike was diagnosed with Carcinoma in-situ. This was treated with surgery and chemotherapy. The illness kept him off work for three months, during which time Mike did not draw any income from GR Gardens Ltd. Due to the low severity of his illness, the Serious Illness Cover for Business benefit on his plan paid 15% of the sum assured (£75,000).



Sadly, three years later Mike's cancer returned, this time more advanced. As a result, Mike decided to step down from running the business. Mike's Serious Illness Cover for Business with Protector topped the original sum assured back up to the full £500,000 following his earlier £75,000 claim and the severity of Mike's cancer warranted a 100% Serious Illness Cover for Business payment.



The Trust then paid out the same amount, tax free, to Sophie after Mike exercised his 'Option to Sell' under the signed Single Option Agreement. Sophie used the money to buy Mike's shares.

Mike now had £500,000 and Sophie was the sole 100% owner of GR Gardens Ltd.

Find out more.

For more information please speak to your adviser or visit our website vitality.co.uk/life

VitalityLife is a trading name of Vitality Corporate Services Limited which is authorised and regulated by the Financial Conduct Authority.

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