

SEVERANCE CONTRACT INDEMNIFICATION COVERAGE

Severance Agreements, Change of Control Agreements and Employment Contracts can all require employers to maintain disability benefits for key employees post-termination. Unfortunately, Group Long Term Disability Benefits are not portable post-termination, while your client may have committed to such benefits.

Kuveke Group offers a solution with Severance365 – a unique program in the corporate disability market designed to insure the catastrophic economic value of the corporation's obligation to an executive covered through a Severance provision.

COVERAGE INCLUDES

- Flexible Policy and Benefit Terms
- Limits to \$5,000,000+
- Disability defined based on education, training and experience
- Tailored coverage to cover contractual obligation



CASE STUDY



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A regional bank terminated four senior executives following a merger with a larger partner. Each of the four severed executives was promised benefits post termination for various periods of time. All four executives were previously covered under the bank's Group LTD plan for \$10,000 per month (plan maximum). Utilizing Severance365, we delivered insurance contracts for all four terminated executives, allowing the bank to live up to their contractual obligation.

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The CEO of a publically traded company was terminated by the board. His employment contract called for a continuation of benefits for an 18 month period following termination. Under his prior benefit program, the CEO was receiving \$20,000 of Group LTD protection. As the CEO was age 51, the present value of their obligation ran into the millions. We designed and implemented an 18 month insurance policy that eliminated the exposure to the corporation.

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