



EXCEPTIONAL RISK ADVISORS

HIGH LIMIT INCOME PROTECTION FASHION INDUSTRY EXECUTIVE

Client

A high-level executive of a well-known clothing label in her early 50s.

Situation

The insurance advisor, who was working with the client's contract lawyer to finalize the details of her latest employment contract, identified a significant exposure to the \$2.5M of annual compensation that was negotiated to be payable each year for the next 3 years – a \$7.5 million asset.

Assessment

In reviewing the contract terms, it was identified that in the event the client was unable to perform the material duties of her occupation defined within the employment agreement due to an injury or illness, the employer could exit the contract after 180 days of consecutive absence. Further, the group disability program was unacceptably insufficient as the "cap" on the program provided only \$15,000 per month of benefit.

Solution

Exceptional Risk Advisors designed a personal high limit disability policy, supplemented by the employer, that would deliver a monthly benefit of \$110,000 to the executive for a period of 120 months.

Result

The employer agreed to modify their employment agreement to include the premium cost for adequate disability insurance. With the policy in place, the client confidently signed the employment contract knowing that if she became disabled, her future income and estate would be protected.

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ONE INTERNATIONAL BLVD. • SUITE 750 • MAHWAH, NJ 07495

WWW.EXCEPTIONALRISKADVISORS.COM • (866) 512-0444