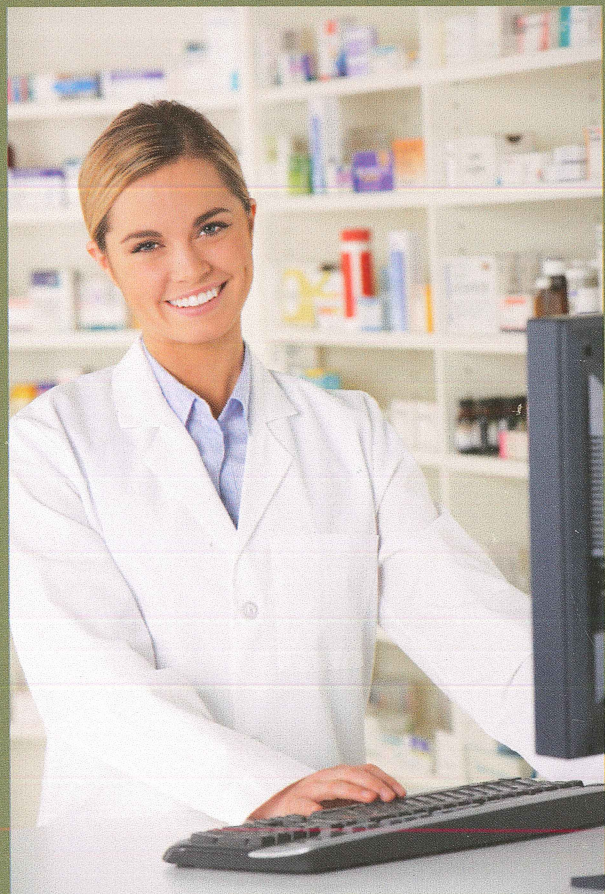




Key Person Insurance Protection



In every successful business, there are key people that drive the business forward. In pharmacy those key people are often the owner/pharmacist 99.9% of the time.

Key People are those that have built special relationships with area doctors, suppliers, and with the employees at the store.

Smart and prudent business planning involves the consideration of Business Interruption and both the short and long term affects it may have on the business.

Most store insurance policies include coverage for Business Interruption and Loss of Profits to the physical premises from fire, smoke, floods etc. However, they do not provide compensation for the financial loss due to the loss of a key person as a result of disability, critical illness or even premature death.

Major Areas of Concern

Business loans

Often one of the largest monthly expenses a pharmacy has is the repayment of a start up loan or a loan acquired for renovations. Provisions should be made for the elimination of these loans or at the very least, a cash cushion to service the loan in the event of a business interruption of a key person.

This will ensure the possibility of continuation of the business or in the event of a forced sale, the preservation of the equity that has been built up over a period of time.

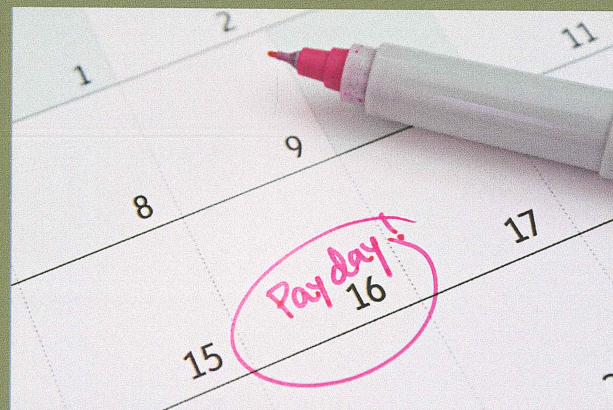
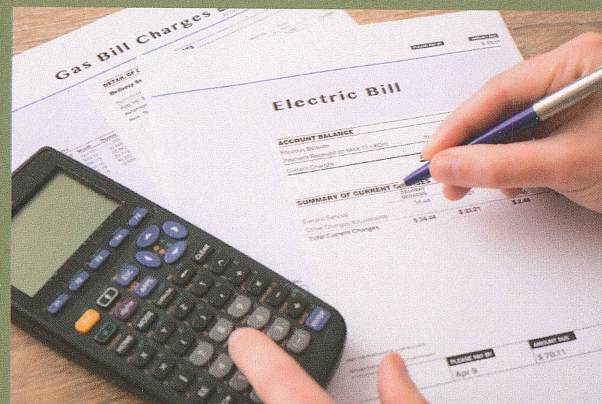
Overhead Expenses

In the event of a disability or critical illness of a key person, the overhead expenses of the store will continue and may even increase due to the need to bring in a replacement pharmacist.

Common Ongoing Expenses

1. Rent
2. Employee Salaries
3. Loan Payments
4. Utilities/Telephone
5. Accounting/Legal fees
6. Insurance
7. Professional Dues
8. Advertising

To learn more about Key Person Insurance and other products we have available, contact our office at 1-800-668-4830.



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