Key employee life insurance
Individual Life Insurance

Insurance products issued by:
Minnesota Life Insurance Company
Securian Life Insurance Company

# Key employee life insurance

## Protect your business from the loss of key employees

### Your challenge

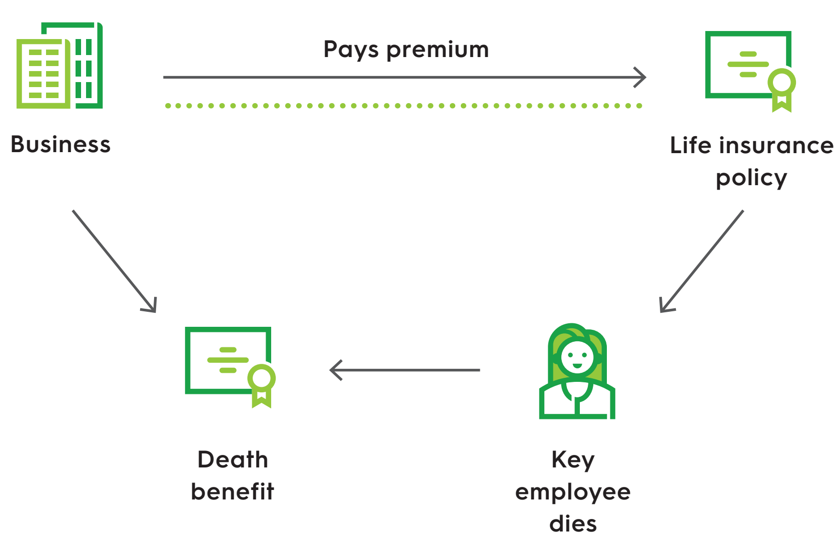
The death of a key employee can cause serious problems to a business, such as lost sales, lower earnings and added costs for hiring and training a replacement.

### A potential solution

Key employee life insurance provides a death benefit that can help your business replace these costs and operate smoothly after losing a key employee.

### How does key employee life insurance work?

- Key employee must provide written consent prior to issue of the life insurance contract.[1]
- The business purchases a life insurance policy on the key employee and names itself as the policy's beneficiary.
- Upon death of the key employee, the business receives the death benefit and uses it for related business expenses or losses.




**Because your business is your life**

## Why is life insurance an ideal tool for this strategy?

Life insurance is a long-term financial tool that can provide a source of funds to replace revenue from lost sales or lower earnings. The premiums you pay into cash value life insurance policies can also grow tax free.

| Benefits | Considerations |
|---|---|
| • Helps protect your business from losses caused by death of a key employee.<br>• Can also be used to fund entity redemption buy-sell, nonqualified deferred compensation and cross-endorsed split-dollar agreements.<br>• Provides a death benefit as tax-free income to the business.<br>• Business can use the policy's cash value in case of an emergency.<br>• Policy can be terminated or transferred if a key employee leaves the business. | • Written employer-owned life insurance (EOLI) notice and consent rules apply.<br>• May have transfer for value issues. Please discuss this strategy with your legal and tax advisors.<br>• May be subject to corporate creditors.<br>• Employee has no rights to the policy.<br>• Premium payments are not income tax-deductible by the business.<br>• Employee's health affects insurability. |

## Learn more

Want to ensure the ongoing success and growth of your business? Contact your financial professional today to find out how you can implement a key person plus strategy.

## At Securian Financial, we're here for family. And we're here because of it.

Family doesn't have to branch from your tree, but it always shares your roots. Roots woven by common understanding, shared values and mutual respect. Those who believe a rewarding life is really about being present in the here and now, and that your financial picture should support the everyday moments as much as the major milestones. That's why our insurance, investment and retirement solutions give you the confidence to focus on what's truly valuable: banking memories with those who matter most.

1. The life insurance death benefit is income-tax-free to the business if the business, at the time of purchase, had met the requirements of Internal Revenue Code Section 101(j). This includes providing the insured with advance notice, obtaining the insured's prior consent to be insured and meeting the insured's executive income requirements.

Life insurance products contain charges, such as Cost of Insurance Charge, Cash Extra Charge, and Additional Agreements Charge (which we refer to as mortality charges), and Premium Charge, Monthly Policy Charge, Policy Issue Charge, Transaction Charge, Index Segment Charge, and Surrender Charge (which we refer to as expense charges). These charges may increase over time, and these policies may contain restrictions, such as surrender periods. Policyholders could lose money in these products.

Please keep in mind that the primary reason to purchase a life insurance product is the death benefit.

Policy loans and withdrawals may create an adverse tax result in the event of lapse or policy surrender and will reduce both the surrender value and death benefit. Withdrawals may be subject to taxation within the first fifteen years of the contract. You should consult your tax advisor when considering taking a policy loan or withdrawal.

This information may contain a general discussion of the relevant federal tax laws. It is not intended for, nor can it be used by any taxpayer for the purpose of avoiding federal tax penalties. Taxpayers should seek the advice of their own tax and legal advisors regarding any tax and legal issues applicable to their specific circumstances.

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Insurance products are issued by Minnesota Life Insurance Company in all states except New York. In New York, products are issued by Securian Life Insurance Company, a New York authorized insurer. Minnesota Life is not an authorized New York insurer and does not do insurance business in New York. Both companies are headquartered in St. Paul, MN. Product availability and features may vary by state. Each insurer is solely responsible for the financial obligations under the policies or contracts it issues.

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