



KNIGHTCORP
Life Insurance & Wealth Management

Think Forward.
Think Knightcorp.

www.knightcorplife.com.au

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Think Forward. Life Insurance & Wealth Management

Let's chat!

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DISCLAIMER: This information is of a general nature only and has been prepared without taking into account your particular financial needs, circumstances and objectives. While every effort has been made to ensure the accuracy of the information, it is not guaranteed. You should obtain professional advice before acting on the information contained in this publication.

Knightcorp Life Insurance & Wealth Management

Protect the business
you've worked so
hard to create.

A successful company is often a result of great employees. If your business was to lose a key employee or stakeholder due to death, disablement or critical illness, the impact both financially and operationally could be hard to come back from.

A Knightcorp Financial Adviser will work with you to determine how to best protect your business against potential risks – no matter how large or small your business might be.



Think Forward. Think Knightcorp.

At Knightcorp Life Insurance & Wealth Management, we are dedicated to helping you achieve your financial goals by assisting with building and protecting your wealth. We focus on you, your business and the needs and goals of both.

We look to protect your business and the key people within it to ensure your business is not detrimentally affected when the unforeseen occurs. The Knightcorp team will work with you to offer strategic, goals based financial advice tailored to you and your business.

Built upon a foundation of professionalism, ethics, relationships and hard work, as a company, Knightcorp Life Insurance & Wealth Management has great pride in the service and commitment we deliver to our clients.

The Knightcorp Life Insurance & Wealth Management division was born out of a need for transparent Life Insurance and Financial Planning options. We have since cultivated a team that listens, understands and delivers. Working with a Knightcorp Financial Adviser will give you confidence and peace of mind that your financial future is protected.



Our Mission

Knightcorp provides financial advice and insurance to protect your business and the key people within it.



Our Essence

We are reliable, realistic, resourceful and refreshing. We are Knightcorp.



Our Promise

You'll be proud to say you're with us.



Our Vibe

Great people, positive attitudes, and good fun. Oh, and we have a thing for financial planning.

“ An investment in knowledge
pays the best interest. ”

- BENJAMIN FRANKLIN



Your Journey With Us

01

Discussion & Review

The initial meeting is an opportunity for your Adviser to get to know you, plus an opportunity for you to get to know Knightcorp and our service offering. Together we will discuss your current situation focusing on your goals, wants and needs.

02

Research

Our team will conduct research into your current financial situation and prepare a strategy based on our analysis, that is tailored to your goals.

03

Strategy

In this meeting, your Adviser will discuss their preliminary view, discuss research undertaken and outline your options. We will discuss the scope of our service offering, our fees and value proposition. It's the perfect opportunity for you to ask any questions about the information discussed and decide if wish to proceed to receiving formal written advice

04

Statement of Advice

This is a formal presentation of your Statement of Advice (SOA) – a detailed document containing our full recommendations and costs. Together you and your Adviser will review the Statement of Advice and discuss any questions you may have. Following your consideration of our advice, you can authorise us to proceed with the recommendations.

05

Implementation

Our team will begin implementing your Advisers recommendations. Depending on the advice, the timeframe can vary but our Client Services team will be in touch with you throughout the process to ensure you're kept updated on its progress.

06

Finalisation of Advice

Once the implementation is complete, our team will be in contact to let you know that we have completed the necessary changes. It is here that we will provide you with details of any new products or account information.

07

Review Meetings

Depending on the complexity of our advice, your Adviser will meet with you either half yearly or annually. Together we will review your situation and wealth strategies, to ensure you're on track to meet your goals.

08

Our Ongoing Relationship

While you will have scheduled Review Meeting/s with your Adviser, it's important for you to know that our team is still here and available for you to contact. We are here to assist with administrative enquiries, plus your adviser is available to *adjust your wealth and protection strategies as needed.

*Services outside the original scope or Ongoing Service Agreement maybe at additional cost.



**Business
Insurance**

Buy/Sell Insurance

Protect your business equity when the unforeseen occurs.

Your business may have several shareholders with varying degrees of equity. It is important to consider what might happen to the ownership of the business should one of the shareholders die, become disabled or have to exit. Establishing a legal Buy/Sell Agreement is an effective way to manage this risk and create more certainty.

Buy/Sell Insurance, coupled with a Buy/Sell Agreement aims to provide payment of equity to the departing owner and a legal transfer of equity to the remaining owner(s). Effectively the insurance payout is used to transfer the equity of the departing owner or shares to the remaining owner(s).

This is a cost-effective option to fund equity transfer in such event. Potentially avoiding the need for your business to have to fund this payout via a debt facility or bank loan.



Picture this...

Luke and Matthew are Directors/Owners of a successful surf school business. They work well together, and they have built quite a profitable business, but they have concerns about what might happen to the business should one of them die or become permanently disabled. They would both like the option to purchase the others share of the business should this happen.

Luke and Matthew are both also married, and if either of them was to pass away, all of their assets – including their share in the business – would transfer to their spouse. They are both worried about this as their wives are not interested in taking over the business.

Their Adviser recommends Buy/Sell Insurance of Life and Total and Permanent Disability (TPD).

The business was valued by an independent valuer at \$1.5 million, so their Adviser recommends they obtain a Life and TPD policy of \$750,000 each, in their own names.

During this process, Luke and Matthew also meet with a lawyer to draw up a Buy/Sell Agreement.

Now if Luke were to pass away or become totally and permanently disabled, this would result in an insurance payout to Luke and/or his estate, triggering their Buy/Sell Agreement and the transfer of Luke's 50% ownership to Matthew.

This ensures that Matthew will own 100% of the business that he and Luke started together. Importantly, Matthew will not need to raise \$750,000 in order to buy out Luke's share of the business from his estate or spouse.

“ if either of them was to pass away, all of their assets – including their share in the business – would transfer to their spouse. ”



Business Insurance

Debt Cover

Help your business remain viable when the unforeseen occurs.

Most businesses operate with some form of debt, whether it's a business loan, a director's loan or line of credit. Having cover for this debt in the event that a key employee, owner or director was no longer able to work due to severe illness, disability or death, can potentially ensure the business remains viable.

The ability to continue to service or even payout these debts can not only keep the banks at bay, but also ensure your business remains a viable ongoing concern.

Having insurance cover on a director's loan, means that the business can continue without liabilities to an estate in the event of the death of a director. For the departing owner, this gives comfort that repayment of debts/loans can be settled when it is needed most.



Picture this...

Georgia and Madison are directors of an engineering firm, HUFFI. In order to accelerate the growth of the business, they have both invested their own capital to the value of \$200,000 at varying times, in the form of a director's loan.

Both Georgia and Madison want some security in the knowledge that this amount will be paid to them or their estate if they could no longer work in the business due to critical illness, death or disability. They both understand that having this debt on their books is a detriment to any potential sale of the business down the track.

After meeting with a Financial Adviser to discuss their insurance options, their Adviser recommends the business obtain \$200,000 of Life, Total and Permanent Disability (TPD) and Trauma cover on both Georgia and Madison. This policy is to be owned by the business.

Georgia and Madison already have a legal Buy/Sell Agreement which requires the payment of the director's loans in the case of an insurance claim and they have the insurance policy to facilitate this. The business is then required by law to make the payment equal to the proceeds of the insurance payment to the departing owner.

Several years later, Georgia passes away and the insurance policy pays the claim to the business, which then makes the equal payment to Georgia's estate. HUFFI is now free of the director's loan off their balance sheet, Georgia's estate is fully paid out and HUFFI can remain operational.



having this debt on their books is a detriment to any potential sale of the business down the track.



In Progress	Discussion	FINISHED	Done
Progression Upwards. 04.30 04.15 Planning ↓ King x	PIA & Bama 13.04. Final. X. * Total Goals $\frac{x}{5}$ +3 online ambigu 10% Income	Downwards As Goal MARGIN REACHED GOAL M Totaling ↔ Dime 2 Down. Cost intended	To go! Dandli Total RECON Increase Lead # 4

Business Insurance

Key Person Insurance

Smooth out the financial impact of losing an employee your business relies on.

While businesses are dependent on all their employees for success, there is often a few select individuals that drive revenue or are of particular value to client relationships. Without these key people businesses would financially suffer either through loss of revenue or capital value of the business. Key Person Insurance aims to mitigate this risk in the event one of your Key Persons is unable to work due to death, disability or severe illness.

Replacing a key employee in your business is not easy and the impact of losing a high calibre team member can have a detrimental impact on your cash flow.

Key Person Insurance is designed to ensure your business maintains cash flow through a lump sum payment, assisting in keeping the business viable through a transitional period when a key employee is no longer there.

Who Is A Key Person?

A Key Person within your business is a vital cog for a well-run organisation.



Director, Managing Director or CEO



Partner in Partnership



Key employee with particular skills or technical expertise



Senior Sales Manager

Picture this...

Matthew is the Managing Director of AllSafe Window Repair Pty Ltd. Robbie is an employee and a key driver of revenue due to his close relationship with a vast majority of the clientele and technical knowledge.

If Robbie was unable to work due to death, disability or critical illness, there would be a significant loss of revenue for the business. Matthew is keen to ensure that if anything should happen to Robbie he minimises the financial impact of lost revenue and recruitment costs to the business while he is searching for a replacement.

Robbie is responsible for around 50% of annual business revenue which equates to \$800,000. After talking with his Adviser, Matthew decides to take cover for six months of lost revenue plus \$60,000 in recruitment cost, to give Robbie's replacement time to settle in while ensuring the financial impact on the business is minimal.

AllSafe Window Repairs takes out insurance to cover \$460,000 in the event Robbie dies, becomes disabled or is critically ill.

“

If Robbie was unable to work due to death, disability or critical illness, there would be a significant loss of revenue for the business.



Personal Insurance

Life Insurance

Protect the financial future of your loved ones and the lifestyle you've created.

Life Insurance cover protects your loved ones and the lifestyle you've created, by providing financial protection in the event that you pass away or are diagnosed with a terminal illness.

Those you care about can be provided with a lump sum payment to allow them to continue living the life you had planned together. Whether it's paying off your mortgage, covering the cost of your kids' education or helping to cover daily living expenses, Life Insurance is a way of protecting the financial future of your loved ones if you were no longer able to provide for them.

This benefit could help protect your business in the event of the death of a business owner or key employee.

Trauma

Financial protection while you focus on your recovery.

Trauma Insurance isn't the first thing on anyone's mind, however it's important to think about the impact of a life-changing condition such as a heart attack or cancer.

Should you fall ill or be critically injured, Trauma Insurance can pay a lump sum of money to cover immediate medical expenses and other financial needs, meaning you'll have the funds to help your recovery.

Unlike health insurance, you can use the payment from Trauma Insurance for anything, not just the initial cost of medical treatments.

This benefit could help protect your business in the event that a business owner or key employee was unable to work for a short period of time due to cancer, stroke, heart attack, or another specified medical event.

Total & Permanent Disability

Take the pressure off financially if you become totally or permanently disabled.

Total and Permanent Disability Insurance provides you with financial protection if you suffer an illness or injury that leaves you totally or permanently disabled, and therefore unable to work.

Your bills won't stop if you're forced to stop working. As the costs of living keep coming in, a lump sum payout from your TPD policy can provide the right financial solution.

In addition to replacing your income you can use your payment to cover outstanding debts, medical costs, required home modifications, plus any ongoing living expenses.

This benefit could help protect your business in the event that a business owner or key employee is unable to return to work due to total and permanent disability.

Income Protection

Keep your life moving forward when your income stops.

Whether you're employed full-time or a contracted worker, your biggest asset is your income and the ability for it to continue coming in.

In the event that you are unable to work due to sickness or injury, Income Protection Insurance pays a monthly benefit of up to 75% of your regular income.

Use your Income Protection cover to pay household bills, your mortgage, cover your kids school fees or hire help at home.



Wealth Management

Debt Management

Take control of your money and reduce your debt.

Everyday life is complex enough, let alone having to deal with the added burden of debt.

Whether it's buying your own home, car loans, credit cards, your children's education or day-to-day living expenses, debt is something that can weigh heavily on us. A formulated plan is what's required to best navigate our way through.

Our collaborative approach is designed to educate and empower you to understand how to eliminate debt, budget and plan for unexpected expenses.

Having the tools and discipline to best manage debt and to cope with what life throws at us is crucial to long term financial freedom and success. It's not just about taking control of your money and reducing debt, it's about enjoying life again.

Superannuation & Retirement Planning

You work hard, so why shouldn't your super do the same?

Everyone has different expectations of what retirement will look like. There are many ways to achieve the retirement you dream of, but there are also a lot of obstacles to navigate and therefore planning is key.

With most of us receiving contributions to our Superannuation from our employer or contributing to our own Superannuation throughout our working years, utilising tax effective investments like Superannuation and Pension can greatly assist in building our retirement fund.

Investment planning and goal setting in these tax effective environments can form the cornerstone to building retirement funds.

With proper planning, obtaining your retirement dream can become a reality.

Investment Advice

Investment advice tailored to you and your situation.

Have you thought about investing but not sure where to start? The list of investment opportunities is extensive, and it can be daunting looking for the best outcome and investing on your own.

Investments need to be made with purpose and with a view to achieving your goals within a time frame that suits your circumstances. With investment markets of all kinds constantly changing it's important to stay abreast of opportunity and associated risk.

Knightcorp have internal investment experts well skilled at aligning investment strategies and portfolios to your current and long-term objectives.

We employ a suite of external specialists to create a highly experienced and knowledgeable investment panel, specifically for investment strategy and portfolio construction tailored to your needs.

Cash Flow & Budgeting

The first step to financial freedom starts here.

The cornerstone for any successful financial plan is the ongoing management of your personal cash flow. While it might seem simple enough to say that the first step is to spend less than you earn, there are several cash flow strategies that can be employed.

Beginning with the end goal in mind and establishing what the big-ticket items are in your financial world is a great place to start. Then it's about creating good habits and self-discipline that will enable you to save and budget towards these end goals. Utilising your savings effectively can have an enormous impact on your financial situation – both current and future.

A Knightcorp Financial Adviser will create a roadmap that will enable you to see what's possible and work closely with you to help you achieve your goals. The benefits can be truly significant.



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IMPORTANT NOTE – this information is provided to assist you in understanding the risks, implications and common considerations for your industry. It does not constitute advice, and is not complete. Please contact Knightcorp Life Insurance & Wealth Management for further information.

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