

Advanced markets opportunities

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Defining the business market opportunity

- There are an estimated **6.06M US small or medium sized businesses with employees**.¹
- **About half of business owners** have a buy-sell agreement in place.²
- **67%** of the agreements in place are funded with life insurance.²
- That equates to over **5M businesses that need** buy-sell coverage!
- Not including businesses that **did** purchase insurance, but purchased an inappropriate amount based on erroneous valuation assumptions...or businesses that have faulty agreements "in place."
- For Key Person protection and retention concepts, the primary opportunity exists with businesses that are between \$1M and \$100M in annual revenue and/or between 10 and 100 employees.
- For Loan Collateral (SBA Loan) concept, the average number of SBA loans annually over the last 10 years is approximately **64k**. These loans average **a \$663k loan balance**, or a **total face amount opportunity of \$42B**.³

¹Pew Research, 2024. ²MassMutual Business Owner Perspectives Study, 2025. ³US Small Business Administration data between 2015-2026.

Defining the business market opportunity

- **The Buy-Sell**
- **The “Overvalued Business”**
 - Business is typically the owner's primary retirement resource
 - Addressing the shortfall
- **The “Undervalued Business”**
 - Leaving a partner or family member short-changed
 - How didn't I realize?
 - Key People often reason for valuation greater than book value or multiples
 - Give them incentive to stay until time to sell
 - Are there better alternatives to cash for retaining key employees in today's economy?

Earn more business with key person coverage

Key person term life insurance coverage helps advisors **start more conversations**

- ✓ Proactive work with business clients
- ✓ Clear understanding of business risks
- ✓ More opportunities to guide financial strategy
- ✓ Straightforward product to open the first door
- ✓ Protection when business clients need it most

Business owners know there's risk

71% of firms depend on
one or two key people

21% have key person
coverage

Source: Insurance Information Institute, 2026

\$32 billion

existing key person market growing to

\$45 billion

by 2035*

*Figures represent global market. United States market makes up around 40% of global market. Data provided by WiseGuy Reports, December 2025

People deal with loss, businesses deal with disruption

Business risks from losing a single key employee include:

- Loss of revenue
- Increase in costs and production effort
- Loss of investor and lender confidence
- Asset sales or reserve tapping
- Delayed retirement
- Decreased business valuation
- Compromised business exit

Banner Life is built to get key person cases done

If the case makes business sense, we have the capability and know-how to consider it

- ✓ Increased limits
 - Accelerated underwriting up to \$5 million
 - \$10 million retention limit
 - \$40 million autobind limit
- ✓ Instant decisions available for business cases
 - Over 37% of applicants receive an instant decision¹
 - Instant decisions for up to \$5 million available for applicants 20 – 60
- ✓ Flexible key person income multipliers
- ✓ Table ratings based off Standard Plus
- ✓ Dedicated business case underwriting and large case underwriting team

¹Instant Decisions Rate is the number of Horizon instant decisions as a percent of total decisions made.
Data reported for the month of February 2026.

The experience and expertise needed to keep business cases moving forward

- ✓ Advanced Markets support to help vet appropriate case design
- ✓ Eight senior underwriters with sign-off authority of \$10 million
 - Over **115 years of combined experience**
 - Single manager for each case over \$5 million, from application to decision
 - Subject matter experts who understand financial and strategic needs
- ✓ No automatic declines or postpones for cases over \$2 million
- ✓ Transparency in underwriting with explanations for class ratings

Banner Life – reliability when it matters most

**When advisors bring a key person case to us,
they can expect:**

- ✓ A risk appetite aligned with modern business needs
- ✓ The case to get done, or a clear explanation of why it can't
- ✓ Dedicated business underwriters, focused on closing cases
- ✓ A client- and advisor-centric process
- ✓ Support from submission to solution

Defining the Banner Life opportunity

Why is starting with term life insurance enough...for now

- Term life insurance cases represent the vast majority of business market cases on the books
- Putting the tools in place that make Banner Life the distinguished choice for securing these cases
- Key Person and Buy-Sell are foundational planning...and the “gateway” to higher premium concepts
- Let Banner Life help enhance agent practices by giving them training wheels to enter this lucrative market:
 - Key Person policies had average premiums of **3.5x retail policies in 2026**
 - Buy-Sell policies had average premiums of **4.7x retail policies in 2026**
 - Foundational planning opens doors to concepts with over **10x average** retail policy premiums.
 - Executive Bonus
 - Split-Dollar
 - Deferred Compensation

**Bring us your next
business case and let us
show you what **better**
looks like.**

Questions?

Thank you

bannerlife.com/advisor