

# The Westport Advantage

Specialty benefits for corporations & high net worth individuals

May 2009

## Chances are your firm's international associates may not enjoy benefit equality with your U.S. employees



At The Westport Group, our goal is to be an innovative resource for executives and professionals who are concerned with carefully thought out innovative solutions for life, disability and other benefits.

If that's the case, you're not alone. No matter how hard they try to provide international life insurance and disability income coverage equity for their third-country national key associates, firms have been unable to do so.

In some cases these valuable associates are left on their own to find their own benefits as best they can, creating an inconsistency from country to country. As firms continue their global expansion, the disparity becomes more apparent.

Clearly, the solution to this situation is to provide an insurance program that provides comparable U.S. benefits, payable in local currency denominations. Needless to say, these programs create enormous good will among international associates and serve as an extremely valuable recruiting and retention tool overseas.

For the first time, there are programs that remove the troublesome inequities and create the desired parity.

### The following Q&A offers specific information:

*Q. We have key international associates in several countries that we would like to offer the same benefits as their U.S. counterparts. How does your program design address this objective?*

**A.** With life or disability insurance, organizations typically attempt to replicate the benefits of their U.S. associates as closely as possible. This means providing the benefit amount in U.S. dollars or other currency, i.e., Euro and converting it to the local currency at the time the benefit is paid.

*Q. How is a "measurement currency" selected?*

**A.** Most U.S.-based firms gravitate to the U.S. dollar; however, it seems that most international associates would prefer the Euro or Pound. By using these foreign currencies, the insurance program has a greater international flair. As international currencies fluctuate, so

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### The Westport Portfolio

International and Domestic High Limit Life and Disability Insurance

Supplemental Disability Income Protection

Executive Group Benefits

Portfolio Key-Person Coverage

Insurance for Employee Contractual Obligations

Executive Life Insurance Analysis and Planning

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will the benefit amount that is paid to the beneficiaries. Therefore, it is extremely important to explain how these benefits are designed.

*Q. What about "Local Socialized Benefit Programs?"*

**A.** Many foreign countries provide socialized life and disability insurance benefits. Some firms will assume that these local programs will be enough to take care of their highly compensated international key associates. In reality, most of these insurance programs will leave these associates far short of their U.S. counterparts. Although most programs will not integrate perfectly with those of the local country, the benefits of the programs usually outweigh the minor inconvenience of perhaps the recipient's individual tax liability in the case of an untimely disability or death.

*Q. What is the key to designing a truly international insurance program?*

**A.** Each program presents unique challenges. It is important to ensure that the program design is practical, meets each firm's corporate culture and addresses philosophies regarding international associates. Virtually every program has a few nuances designed to meet the objectives of that particular plan. A program design for key management personnel that integrates well with the domestic program is frequently the most well received and successful one.

As you may know, U.S. companies have long been frustrated in their quest to provide key international associates with life and disability benefits that are equal to their U.S. counterparts. However, working with specialty international underwriters, The Westport Group has developed a unique and easy way to implement a solution that addresses this problem effectively.

[Please contact me](#) if you would like to learn more.

Sincerely,



Christopher R. Kristian  
Executive Vice President & Managing Director