Permanent Total Disability & Loss of Value
NBA Draft Protection

Client
A marquee high school basketball player with NBA-potential.

Situation
In order to qualify for the NBA draft, the high school super star athlete needed to complete one year of college basketball.

Assessment
The downside was apparent. The player was projected to be a top-five pick in the NBA draft, therefore a crippling injury while playing in college would severely, if not permanently, hurt his chances in the draft.

Solution
The player's potential rookie contract in the NBA was estimated at over $35 million. Therefore, the players agent, insurance advisor and Exceptional Risk Advisors devised a $20 million permanent total disability policy designed to pay a lump sum benefit in the event the player became permanently totally disabled, plus a $5 million loss of value rider that protected against a reduced contract value due to a significant injury or illness sustained. The policy would terminate upon the signing of his first NBA contract.

Result
As a result of having this policy in place, the player was assured that even if he suffered an injury while playing basketball in college, he would still be compensated based on his projected NBA value.