

# Business Overhead Expense Disability Income Insurance

*AssurityBalance*<sup>®</sup>



*Assurity*<sup>®</sup>  
Life Insurance Company

# You're vital to the success of your business – it could fail if you become disabled.

**Y**ou work hard to build and maintain your business. As a result, the flexibility and control you have as a business owner are worth the effort! You know the continued success of your business depends on your active involvement. In the future, your participation could be severely limited because of a disability. If you were injured or ill and unable to work for an extended period of time, would your business survive?

## What is the chance a disability will occur?

Unfortunately, the frequency that a serious disability – the type that can prevent you from working for an extended length of time – occurs is more often than you might guess. The probability of a white-collar worker becoming disabled for 90 days or longer between ages 35-65 is 27 percent for men and 31 percent for women.<sup>1</sup> There is a high risk of losing the business you've worked so hard to build!

## Solution

### Business Overhead Expense Insurance

We've designed AssurityBalance Business Overhead Expense Insurance (BOE) to help protect your business in the event of your disability. BOE's advantages include:

- Coverage of your business's general operating expenses if you become disabled
- Flexible monthly benefit amount, and benefit and elimination periods
- Affordable premiums that may be tax deductible\*
- Waiver of Premium and Rehabilitation Benefits may be available with total disability.

#### Covered Overhead Expenses

This policy pays for usual business operating expenses that are generally accepted as tax deductible.

Examples of these expenses include:

- ▶ Employees' salaries, wages and benefits
- ▶ Utilities (electricity, telephone, gas and water)
- ▶ Furniture and equipment
- ▶ Laundry, janitorial and office maintenance services
- ▶ Business insurance premiums, including property and liability insurance
- ▶ Accounting, billing and collection service fees
- ▶ Property and payroll taxes
- ▶ Interest payments on debts
- ▶ Other fixed expenses.



#### Choice of Elimination Periods

Choose between 30, 60 and 90 days.

#### Choice of Monthly Benefit Amount

Your monthly benefit may be chosen from a minimum of \$500 up to a maximum of \$10,000. Maximums apply according to your occupation classification and current monthly covered expenses.

#### Choice of Benefit Periods

You may choose the benefit period that best meets your business needs – 12 or 24 months.

#### Accumulating Benefit

If your business's monthly covered expenses are more than the monthly benefit, the excess expenses may be carried forward and paid in a later month where covered expenses are less than the monthly benefit.

#### Waiver of Premium

Your policy premiums are waived following 90 days of total disability.

#### Rehabilitation Benefit

If you become totally disabled, this plan may help pay the cost of a rehabilitation program.

<sup>1</sup> Social Security Administration, *Fast Facts and Figures*, 2010

\* Tax questions should be referred to your tax advisor.

## How will your business expenses be paid if the next disability is yours?

If your ability to work was suddenly curtailed due to a disabling illness or injury, what revenue-generating options are available to help meet your continuing business expenses?

### Can you borrow?

Lenders may not take a chance on a business with a key employee not able to generate steady revenue. And, would you be able to repay a loan? A repayment plan may further strain your company's earnings.

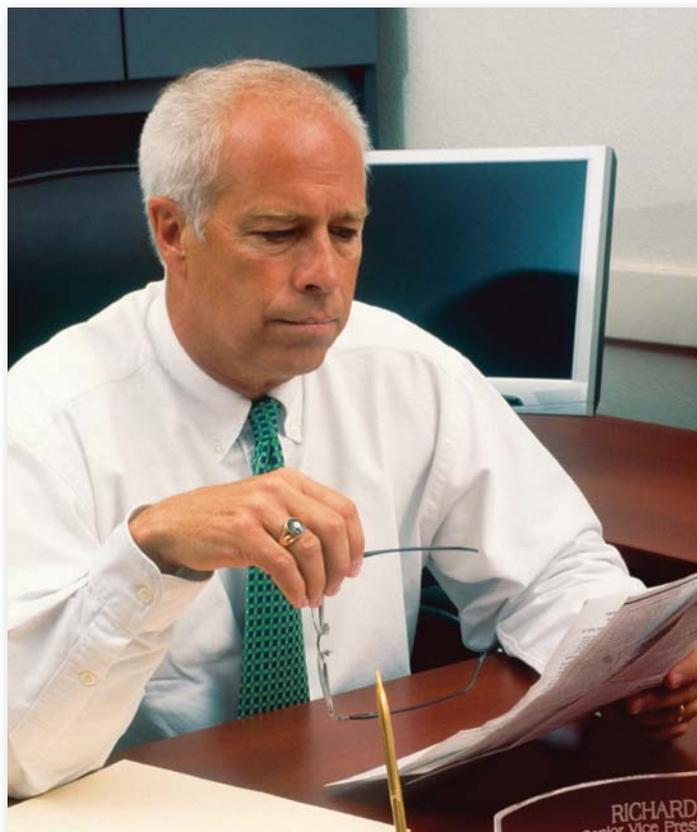
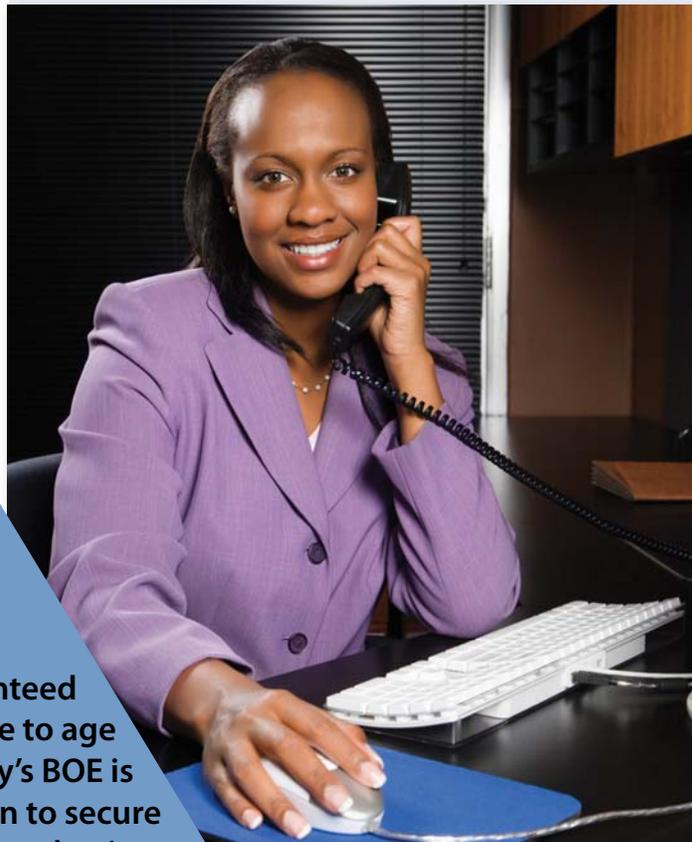
### Will creditors cooperate?

It's possible that limited-time credit arrangements could be made, but eventually these obligations would have to be paid. Consider the importance of keeping up with employee paychecks, mortgage or rental payments and utility bills.

If a future disability is serious enough to keep you from work for at least 90 days, it's quite possible you would be unable to work for considerably longer.

The data on the chart at right is also important to note!

**Guaranteed renewable to age 65, Assurity's BOE is the right plan to secure the future of your business.**



Chronic diseases (such as heart disease, cancer and diabetes) are leading causes of disability in the U.S.

Chronic diseases account for 70 percent of all deaths in the U.S. each year.

These diseases also cause one or more limitations in daily living for almost 25 percent of Americans.

Source: National Center for Chronic Disease Prevention and Health Promotion, Centers for Disease Control and Prevention, [www.cdc.gov](http://www.cdc.gov), July 2010.

### Frequency of Disabling Injuries

| Type of injury | Number per day | 2009 total |
|----------------|----------------|------------|
| Motor vehicle  | 9,600          | 3,500,000  |
| Work           | 14,000         | 5,100,000  |
| Home           | 57,800         | 21,100,000 |
| Public         | 25,800         | 9,400,000  |
| All injuries   | 106,600        | 39,100,000 |

Source: National Safety Council, *Injury Facts, 2011 Edition* (NSC estimates)

**Complete the worksheet below, and you will see how valuable AssurityBalance® BOE can be if you are hit with a disability.**

| <b>Business Expense Worksheet</b>   |                       |
|---|-----------------------|
| <b>Covered Expense</b>  | <b>Cost Per Month</b> |
| Accounting Services .....   | \$ _____              |
| Advertising .....   | \$ _____              |
| Answering or Beeper Service .....   | \$ _____              |
| Employee Wages/Benefit Contributions .....  | \$ _____              |
| Equipment Lease/Rental Payments.....  | \$ _____              |
| Equipment Loan Payments (interest plus<br>greater of principal or depreciation) ..... | \$ _____              |
| Laundry and Cleaning Services .....   | \$ _____              |
| Liability and Malpractice Insurance .....   | \$ _____              |
| Mortgage Payments (interest plus<br>greater of principal or depreciation) .....       | \$ _____              |
| Office Rental Fees .....  | \$ _____              |
| Office Supplies and Expenses .....  | \$ _____              |
| Payroll Taxes (on employee salaries only) .....                                       | \$ _____              |
| Periodical Subscriptions.....   | \$ _____              |
| Postage .....   | \$ _____              |
| Professional Dues, Fees, and Memberships.....   | \$ _____              |
| Real Estate Taxes .....   | \$ _____              |
| Utilities (electricity, heat, telephone, water) .....                                 | \$ _____              |
| Miscellaneous .....   | \$ _____              |
| <b>Your Total Monthly Overhead Expenses</b> .....                                     | <b>\$ _____</b>       |

Policy Form No. A-D106.

Product availability, features and rates may vary by state.

This policy may contain reductions of benefits, limitations and exclusions. For costs and complete details of the coverage, please contact your agent, Assurity Life Insurance Company or ask to review the policy for more information.

### About the Company

Assurity Life Insurance Company’s origins are rooted in a 120-year legacy of providing long-term security to policyholders that has earned generations of customers’ confidence and trust.

Assurity Life serves customers across the nation, offering disability income, critical illness, accident and life insurance, annuities and specialty insurance plans through our representatives and worksite distribution.

With assets exceeding \$2 billion, Assurity Life has built a reputation for “best in class” service and sound, conservative business practices with a disciplined approach to financial management. Headquartered in Lincoln, Neb., Assurity Life has earned a high rating from A.M. Best Company, one of the insurance industry’s leading independent analysts. For more information about this rating, please visit [www.ambest.com](http://www.ambest.com) or [www.assurity.com](http://www.assurity.com).

We’re proud of our history of integrity, financial accountability...and helping people through difficult times.



PO Box 82533 • Lincoln, NE 68501-2533  
(800) 869-0355 • [www.assurity.com](http://www.assurity.com)