

Business Overhead Expense Disability Income Insurance

AssurityBalance[®]



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



Small-business owners have to cover their personal expenses, **AND** their business expenses.

You don't think it will be you. But it could be.



Just **over 1 in 4** of today's 20-year-olds will become **DISABLED** before they retire.¹

There is a high risk of losing the business you've worked so hard to build!

If you're a business owner, you're aware that your income funds TWO BUDGETS – your personal and your business. Home expenses such as mortgage, utilities, car payments, and credit cards can mount up in no time if you are unable to work due to a disabling illness or injury. Likewise, your business expenses like payroll, rental/lease, insurance and employee benefits would quickly demand your attention – and your money – as well.

Two sets of expenses with no income could land you in **DOUBLE TROUBLE!**

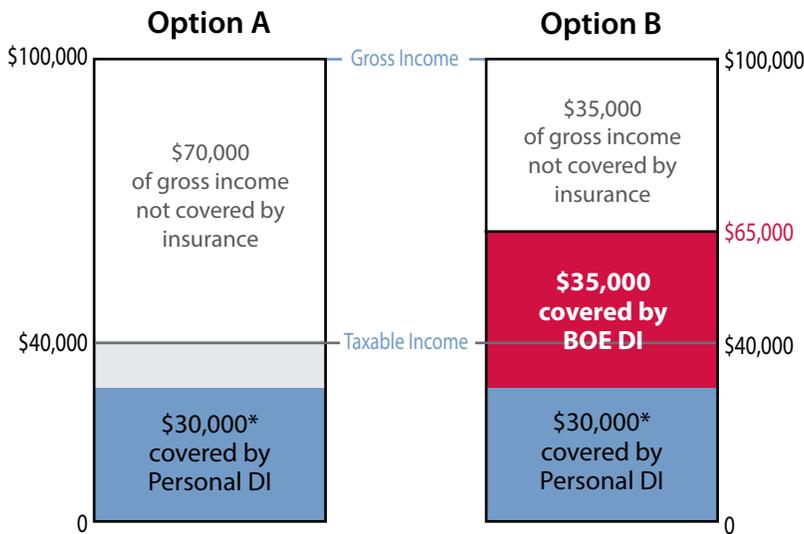
How would you manage business expenses without an income? What would happen to the business you worked hard to build and maintain? You might hope to borrow money, but lenders may not take a chance on your business if you aren't there to generate revenue. On top of that, repaying a loan could become an additional burden once you're back on your feet. Likewise, even if you could make arrangements with creditors, eventually those obligations would have to be paid.

You shouldn't have to choose between paying your mortgage or your payroll!

That's why owning Business Overhead Expense Insurance (BOE) is so important for protecting your business in the event of disability. Look at the advantages provided by an AssurityBalance BOE policy from Assurity Life Insurance Company:

- Coverage of your business's general operating expenses if you become disabled
- Flexibility of monthly benefit amount and benefit/elimination periods
- Affordable premiums that are generally tax-deductible
- Waiver of Premium and Rehabilitation Benefits available (in most cases)

Tom's small business earns \$100,000



Which amount would you rather have as a business owner if a disability stops you from working?

Have you made plans for keeping your business open and running smoothly if you were unable to work?

How would you pay for utilities, rent, employee salaries and other business expenses?

Who would be available to keep the business going during your extended absence?

Could you easily afford to hire someone to manage your business?

How does it work?

Disability income insurance is designed to replace a portion of an insured's income if he or she is unable to work due to sickness or injury.

Just as personal disability income insurance can ease the losses on the first budget (personal expenses), BOE insurance can go a long way to diminish the additional losses to the second budget (business expenses).

Let's look at an example (Option A): Tom brings in \$100,000 gross income per year from his small business. Of this amount, Tom declares \$40,000 taxable income. Personal disability income issue guidelines allow him to insure approximately 70% of this amount. This is the amount he would have available to pay expenses for both budgets if a disability occurs.

However, if Tom adds BOE to the equation (Option B), he is allowed to insure an additional amount of the \$100,000, so that an extra \$35,000 becomes available to him, resulting in a total of \$65,000 now available to pay expenses. On top of that, the affordable premiums he pays for BOE coverage are generally tax deductible!

Protect yourself from double trouble. Take steps today!

Business expenses covered:

- ▶ Lease or mortgage payments
- ▶ Employees' salaries, wages and benefits
- ▶ Utilities
- ▶ Business insurance premiums, including property and liability insurance
- ▶ Accounting, billing and collection service fees
- ▶ Property and payroll taxes
- ▶ Interest payments on debts
- ▶ Equipment and furniture
- ▶ Office maintenance, janitorial and laundry services
- ▶ Other fixed expenses



Remember:

BOE premiums are usually tax deductible!



* Actual amount is \$29,760. The amount shown in the chart was rounded up to simplify the illustration.

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

Business Expense Worksheet	
Covered Expense	Cost Per Month
Accounting Services	\$ _____
Advertising	\$ _____
Answering or Beeper Service	\$ _____
Employee Wages/Benefit Contributions	\$ _____
Equipment Lease/Rental Payments.....	\$ _____
Equipment Loan Payments (interest plus greater of principal or depreciation).....	\$ _____
Laundry and Cleaning Services	\$ _____
Liability and Malpractice Insurance	\$ _____
Mortgage Payments (interest plus 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	\$ _____
Your Total Monthly Overhead Expenses	\$ _____

Features built into the policy

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.

Choose your level of coverage

Elimination Period: 30, 60 or 90 days.

Monthly Benefit Amount: \$500–\$10,000.

Benefit Period: 12 or 24 months.

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.

A company you can count on...

At Assurity Life Insurance Company, we’re proud of our history of integrity and financial accountability...and our mission of helping people through difficult times. Our origins are rooted in a 125-year legacy of providing long-term security to policyholders, earning generations of customers’ confidence and trust.

Assurity serves customers across the nation, offering disability income, critical illness, life and accident insurance, annuities and specialty insurance plans.

With assets of nearly \$2.5 billion, Assurity has built a reputation for “best in class” service, sound business practices and a disciplined approach to financial management. Headquartered in Lincoln, Neb., Assurity 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.

