



Business Overhead Expense Small Group Long-Term Disability (LTD) Benefit

Business Overhead Expense (BOE)

For a business owner with fewer than 10 employees, the loss of a single employee to a disability can have a dire impact on productivity and the business's ability to generate revenue. If the person who files the disability claim is also an owner, the impact on the business can be devastating. Salaries, taxes, rent and other business expenses must continue to be paid. Disability insurance will protect a portion of the business owner's income, but what will protect the business? Our LTD coverage includes an optional BOE benefit that will ensure that important payments are met and the business is protected.

What Is BOE?

An insured owner, sole proprietor, partner or shareholder who is responsible for payment of business overhead expenses may be eligible for this benefit.

If he or she becomes totally disabled, we will pay his or her company a BOE benefit while he or she remains totally disabled.

The BOE benefit will be paid only to reimburse the company for the business overhead expenses for which the insured is responsible to make.

BOE Benefits

This benefit is the lesser of 15% of the insured's pre-disability earnings or a maximum of \$2,000, \$3,000 or \$5,000 for 12 or 24 months.

The benefit will be paid to reimburse for the following business overhead expenses:

- Salaries
- Employment taxes
- Employment benefit costs
- Rental payments for property and equipment
- Interest on mortgaged business property
- Utilities
- Accounting and legal fees
- Business insurance expenses including premiums for property and/or liability coverage
- Interest on business debts
- Property taxes
- General office supplies



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