

DI for the 21st Century

Customized disability insurance can be designed to fit all your clients' needs.

CURRENT SITUATION

Bob Owens, age 40, and Charlotte Williams, age 53, own a landscape architect firm in Connecticut. The company is valued at \$6,000,000 with ownership split equally between the two partners. Bob is the Chief Financial Officer and has an annual income of \$300,000. Charlotte, the President and Founder of the landscaping company, earns \$450,000 per annum. Both individuals need to protect their families' lifestyles and income sources in the event they can no longer work. In addition, the two business professionals recently signed a buy-sell agreement which they are looking to fund in the event the agreement is triggered due to death or disability.

COMMON PROBLEMS

Financial planners and insurance agents typically advise Bob and Charlotte to protect their incomes and buy-sell agreement with life insurance. Disability Insurance is often overlooked due to the misconception that identical benefit amounts are not available. In reality, disabilities present a major risk to the owners' personal and professional livelihoods, and are more likely to occur than premature death.

SOLUTION

Pro Plus Disability Insurance can safeguard the financial obligations presented by both personal incomes and buy-sell agreements. If Bob and Charlotte have a smaller disability income protection plan in force, Pro Plus would cover the excess, unprotected portion of the business owners' annual income, up to 80%.

In order to fund the buy-sell agreement, Pro Plus would insure up to 100% of the \$6,000,000 risk in a lump sum form, thus allowing either partner to buy the other out in the event of a tragic disability.

HOW IT WORKS

Pro Plus Disability Insurance provides enough own-occupation coverage to ensure all clients are adequately protected against disability. The product can be structured and customized to meet any professional's needs, and to safeguard:

- personal incomes
- buy-sell agreements
- key people/employees
- business overhead expenses.

Monthly benefits and lump sum payments are available separately, but are combined in most cases.

EXPERTS SAY

Every Minute, 50 Individuals Suffer a Disabling Injury.*
 Nearly 1 in 5 Americans Will Become Disabled for 1 Year or More Before the Age of 65.**
 Once an Individual Has Been Disabled for 90 Days, the Average Length of Disability is 2 years.***

*National Safety Council, *Injury Facts*, 2008 Edition, Page 2.

**Life and Health Insurance Foundation for Education, "Disability Insurance: Who Needs it?" 2007.

***Life and Health Advisor: "Worker ill-prepared to manage income disruption," November 2007, Page 26.

HIGHLIGHTS

- Disability Insurance Benefits Can Match Life Insurance Benefit Amounts
- Monthly Benefits from \$5,000 to \$250,000+
- Lump Sum Benefits from \$250,000 to \$25,000,000+
- Specific Own-Occupation Coverage
- Guaranteed Issue Group Coverage

SUMMARY

The coverage provided by Pro Plus Disability Insurance creates an opportunity for financial advisors and insurance agents to approach existing clients with new solutions for their portfolios. Life insurance has been the most common type of insurance for financial protection; but times have changed and disability insurance is just as important, if not more so. Pro Plus Disability can provide own-occupation coverage for nearly all professions with entirely personalized products. Please contact us at 800.832.8000 or email us at info@pfsins.com for your customized insurance solution.

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