

# Wide range of protection for business owners and key employees

Small- to medium-sized business owners work hard to grow their businesses and need your help to protect them. If they or a key employee become too sick or hurt to work, it can impact their business in more ways than one. Consider this comprehensive suite of individual disability insurance solutions from Principal®.

What disability solutions are available to protect the business?				
Product	<b>Overhead Expense (OE)</b> insurance reimburses key fixed business expenses during a disability. Best for: <ul style="list-style-type: none"> <li>• Up to 8 owners for fee-for-service businesses</li> <li>• Up to 4 owners for other types of businesses</li> </ul>	<b>Business Loan Protection (BLP)</b> rider <sup>1</sup> available on an OE policy reimburses covered business-related loan expenses in the event of a total disability. <sup>2</sup>	<b>Disability Buy-Out (DBO)</b> insurance provides payment for the purchase of a disabled business owner's interest under a buy-sell agreement.  DBO coverage is available for businesses with one owner using our One-Way Buy-Out guidelines and 2-10 owners under our regular buy-out.	<b>Key Person Replacement</b> insurance <sup>1</sup> provides benefits to help offset the cost of losing a key employee to disability.  Benefits can be used toward recruitment costs, temporary staffing needs, etc.
Maximum benefits <sup>3</sup>	Up to \$50,000/month	Up to \$20,000/month; cannot exceed \$2 million maximum aggregate benefit	<ul style="list-style-type: none"> <li>• Up to \$3 million aggregate for regular buy-out</li> <li>• Up to \$1 million aggregate for a single-owner One-Way Buy-Out<sup>1,4</sup></li> </ul>	Up to \$750,000
Key market considerations	Look for businesses with up to 8 owners. This type of coverage is often sold to accountants/CPAs, dentists, and other professionals whose personal service is key to the continued earning of business income.		Look for businesses with owners who cannot easily fill in if another owner becomes disabled. <sup>4</sup>	Look for businesses with employees who have specialties or experience that's not easily replaced.
Sales tip	Offer both OE and DBO and then match the OE benefit period to the DBO elimination period, so there's no gap in coverage.	Work with financial institutions to develop an informal referral network of owners with business-related loans.	Open doors with business owners using complimentary informal business valuations and buy-sell reviews. Use the fact finder (BB10847C) to guide the conversation and request a proposal.	Offer businesses the ability to help protect against the loss of a key employee.

## Income-protection solutions for business owners and key employees

Personal income protection is also an important element of a business owner's or employee's financial health. We offer solutions to help meet individual or employee benefit needs:

### Individual DI insurance

This valuable coverage can be offered on an individual basis or as part of an employee benefits package.

### Executive solutions

Salary continuation and executive bonus solutions use disability insurance products to give business owners two ways to add income protection to their executive benefit offerings.

### DI Retirement Security

This coverage helps protect an individual's ability to continue to save for retirement in the event of a disabling illness or injury.

## Sales idea

Individual disability insurance can give you time to sell your business or return to work without damaging what you've worked hard to build.

### Ask business owners:

- What would happen if you had to sell your business tomorrow?
- Who would buy it and for how much?
- Would it be the full value you expected?

 **Let's connect** | Call the National Sales Desk at 800-654-4278.

<sup>1</sup> Not approved in all states. Visit: [principal.com/distateapprovals](https://principal.com/distateapprovals) for more information.

<sup>2</sup> Types of loan obligations Principal will consider covering include balloon, term, variable rate, commercial mortgage, lease financing, and working capital or increased inventory.

<sup>3</sup> Subject to Issue & Participation limits and minimum premium requirement.

<sup>4</sup> Additional guidelines apply in the event of a one-way buy-out or when the buy-out is between close relatives.

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