

# EXECUTIVE 400 HIGH LIMIT DISABILITY

**A Proposal For  
Personal Disability Insurance  
Specifically Designed For**

Valued Client

Age 48

**Occupation:**

Executive

**Proposal Date:**

01/12/2012

**Presented By**

Ed Hinerman



**PETERSEN**  
International Underwriters  
*Lloyd's Coverholder*



# DISABILITY INSURANCE

## Valued Client

Proposed Use of This Insurance: Personal Disability  
 Occupation: Executive  
 Actual Age: 48  
 Term of Insurance: 5 years  
 Presented By: Ed Hinerman

**Total Disability** means that due to sickness or injury you cannot engage in your occupation.

Coverage	Benefit	Annual Premium
Monthly Benefit Amount	\$108,000	\$21,447
Elimination Period	90 days	
Benefit Period	60 months	
<b>Optional Riders:</b>		
Residual Disability Rider		\$2,065
Cost of Living Adjustment Rider		\$2,065
Total Annual Premium (Including Taxes and Fees):		<b>\$25,577</b>

## **Optional Riders**

**Residual Disability:** Benefits will be paid when you are engaged in your occupation and your income is reduced due to a disability by 15% or more. The benefit will be calculated by multiplying the monthly benefit by the percentage of reduced income compared to the average income for the preceding twelve months at the time of disability. If your loss is greater than 80% this will be considered a 100% loss.

**Cost of Living Adjustment (COLA):** Benefits will annually automatically increase based upon the Consumer Price Index (CPI), but not to exceed 10% per year.

## **Included Features**

**Presumptive Disability:** Benefits will be paid for the maximum Benefit Period even if you are able to return to work should you lose the use of both hands, both feet, one hand and one foot, the sight in both eyes, hearing in both ears, or the ability to speak. The medical care requirements and the elimination period will be automatically waived.

**Recurrent Disabilities:** resulting from the same cause or causes are considered a new claim with a new benefit period if you have returned to your regular occupation, full-time, for six months or longer.

**Transplant Benefit:** Total Disability benefits will be paid to you while disabled following surgery in which you donate an organ from your body to another person. This benefit is applicable after the policy has been in force for six months or longer.

**Survivorship Benefit:** If the insured is receiving benefits for Total Disability at the time of their death, we will pay a survivorship benefit equal to three times the monthly benefit amount.

**Rehabilitation Benefit:** We may help for a rehabilitation program if we are paying benefits under the certificate and if we approve the program in advance.

*This is a brief description of the insurance provided by this plan. The certificate of insurance is the complete description of coverage. This proposal is non-binding and valid for 30 days.*



# DISABILITY INSURANCE

## Valued Client

Proposed Use of This Insurance: Personal Disability  
Occupation: Executive  
Actual Age: 48  
Term of Insurance: 5 years  
Presented By: Ed Hinerman

**Permanent Total Disability (P.T.D.)** means that in the opinion of Competent Medical Authority You will not recover from the effects of a Sickness or Injury to the extent that You will ever be able to engage in Your occupation.

Coverage	Benefit	Annual Premium
P.T.D. Principal Sum Benefit	<u>\$10,000,000</u>	
Elimination Period	<u>63 Months</u>	
Total Annual Premium (Including Taxes And Fees):		<u>\$21,735</u>

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# DISABILITY INSURANCE

## Policy Features

**True Own Occupation Disability Definition** - "Cannot engage in your occupation."

**Waiver of Premium** takes place after 90 days of being disabled and will continue to be waived for as long as you are disabled, but not beyond the expiry date of the certificate of insurance.

**Term of Insurance** is the period of time that the policy is non-cancellable. The terms of the policy nor the premium can be altered by the insurance carrier provided you pay your premium on time.

**Passive War and/or Terrorism** are covered unless the act includes the use of nuclear, biological or chemical weapons.

## Standard Policy Exclusions

Not covered by the certificate of insurance include: Suicide or Intentional self inflicted injury or poisoning; committing or attempting to commit a crime; taking illegal or non-prescribed drugs, or addiction or misuse of prescription drugs; alcohol abuse or addiction, or being under the influence of alcohol as defined by the vehicle code of the state or province in which the accident has occurred; mental or nervous disorders; conditions not disclosed during underwriting; subjective pain or other symptoms unless supported by objective medical findings; pregnancy and pregnancy related conditions; nuclear, biological or chemical exposure as a result of war and terrorism.

## Underwriting Requirements

**Medical:** Application, Paramed Exam, Full Blood Profile, Urinalysis

**Financial:** Last 2 years 1040 and all schedules

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# DISABILITY INSURANCE

## Valued Client

Proposed Use of This Insurance: Personal Disability  
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## BENEFIT AND PREMIUM SUMMARY

	<u>Level Annual Premium</u>	<u>Level Monthly Premium</u>
Monthly Benefit Amount:	<i>\$108,000</i>	
Elimination Period:	<i>90 days</i>	
Benefit Period:	<i>60 months</i>	
Premium:	\$21,447	\$1,844.44
Optional Residual Rider:	\$2,065	\$177.59
Optional COLA Rider:	\$2,065	\$177.59
<b>Total Premium:</b>	<b>\$25,577</b>	<b>\$2,199.62</b>
P.T.D. Principal Sum Benefit:	<i>\$10,000,000</i>	
Elimination Period:	<i>63 months</i>	
<b>Total Premium:</b>	<b>\$21,735</b>	<b>\$1,869.21</b>
<b>Grand Total Premium:</b>	<b>\$47,312</b>	<b>\$4,068.83</b>

Single Pay Premium: \$189,248.00 equal to 5 annual premiums with a  
20% discount for a savings of \$47,312.00.

## UNDERWRITING REQUIREMENTS

**Medical Underwriting Requirements :** Application, Paramed Exam, Full Blood Profile, Urinalysis  
**Financial Underwriting Requirements :** Last 2 years 1040 and all schedules