

Disability Buy-Out Protection

You may already have individual disability insurance to help protect yourself and your loved ones from the unforeseen impacts of becoming disabled. But what about protecting another that's near and dear to your heart? Your business. Without small business protection solutions in place, your company could be at grave risk if you become disabled.

An integrated approach to business protection

With these types of coverages, you'll have a comprehensive range of business protection strategies to help keep your business viable. From overhead expense protection to long-term debt coverage to disability buy-sell insurance, you'll enjoy the confidence of knowing your business is secure.

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Disability Income Protection



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Disability protection is crucial to a solid financial foundation. Unfortunately, most people don't realize how important protection is until it's too late - after they become sick or injured and cannot work. The chances of suffering a disability are higher than one might think and the effects can be devastating to individuals and their families.

People don't realize their biggest asset is their ability to earn an income. We insure our homes, cars and our lives, so why wouldn't we insure our income?

There are programs to protect individuals and business owners from the threat of a loss of income due to a disability:

Individual Disability Income Protection®

Provides personal income protection for individuals to help pay everyday living expenses, such as housing, food, clothing, transportation, etc.

Business Overhead Expense Protection®

Reimburses owners for business expenses (including employee salaries) while disabled, to help keep the business open .

Disability Buy-Out Protection®

Provides the capital to fund a buy-sell agreement to buy out a disabled business owner to help keep the business value intact and ensure its succession.

Disability Income Protection

Disability happens . . . and planning for it can be a difficult thought. No one wants to imagine themselves getting sick or injured and most people think that it just won't happen to them. **Statistics show that the odds of a wage earner (between the ages of 45-65) experiencing a long term disability for 3 months or longer are actually higher than 30%.** An unexpected disability caused by illness or injury can be devastating to a person's livelihood and their family's security.

Who should own an individual disability policy?

The answer is anyone with earned income. It's simple. If one becomes disabled and cannot work, they will need an individual disability plan in place to protect their income. Even those who have an employer sponsored plan may want to supplement with an individual policy, as most group plans only cover up to 60% of income, which is often taxable. An individual plan can help to make up the difference.

Business Overhead Expense Protection

Business owners can protect the ongoing operations of their company by purchasing a business overhead expense (BOE) insurance policy. This insurance plan reimburses the insured for overhead expenses in the event they become disabled. Without this insurance policy, disabled business owners may not have the cash flow to cover their business expenses.

Benefits of BOE

A BOE policy pays for the everyday operations of a business if a primarily employee such as an owner becomes disabled. Premiums for BOE insurance policies are deductible as a business expense. Business owners should consider the fact that three out of 10 workers will become disabled at some point during their working years, according to the Social Security Administration.

What BOE Insurance Plans Do Cover

BOE insurance plans cover overhead expenses, such as employee salaries, employment tax and benefit costs, rental payments on equipment and property, and the principal and interest on mortgaged business property. The policy can also cover the company's utility payments, property taxes, legal and accounting fees, general office supplies and business insurance expenses.