

High Limit Disability Insurance

For Those In The
Chiropractic Profession



FOR

- Personal
- Excess
- Key Person
- Contract Agreement
- Buy-Sell Agreements
- Business Overhead Expense
- Bank Loan Indemnification

Adequate amounts of disability insurance is difficult to obtain with traditional insurance carriers alone. This difficulty stems from the traditional carriers inability to purchase reinsurance coverage on large limits. The solution for this problem is to work with insurance professionals who have access to specialty insurance markets. Specialty markets such as Petersen International Underwriters allow individuals to fully insure against a disability. In order to fully insure an individual, economists advise that the insured will need a minimum of 65% of their income insured.

The following chart depicts the limited amount of disability coverage offered by the traditional carriers and the excess coverage available through the specialty market of Petersen International Underwriters.

Individually Purchased Coverage

Annual Income	Maximum Monthly Benefit Through Traditional Carrier	Percentage of Income	Additional Monthly Benefit Through Petersen International	Percentage of Income
\$100,000	\$5,000	60%	\$400	65%
\$200,000	\$9,150	55%	\$1,675	65%
\$300,000	\$12,750	51%	\$3,500	65%
\$400,000	\$16,000	48%	\$5,650	65%
\$500,000	\$16,650	40%	\$10,425	65%

When an employer provides a disability insurance policy to an employee the benefits payable to the disabled individual will be taxed as ordinary income. Since the benefits are taxable under an employer paid plan the percentage of income that needs to be insured grows to 75%. Traditional LTD carriers often limit the benefits to 60% of income and often times with caps of \$10,000 per month or less.

Employer Purchased Coverage

Annual Income	Maximum Monthly Benefit Through Traditional Carrier	Percentage of Income	Additional Monthly Benefit Through Petersen International	Percentage of Income
\$100,000	\$5,000	60%	\$1,250	75%
\$200,000	\$10,000	60%	\$2,500	75%
\$300,000	\$10,000	40%	\$8,750	75%
\$400,000	\$10,000	30%	\$15,000	75%
\$500,000	\$10,000	24%	\$21,250	75%

Most if not all individuals would not be able to financially survive on of 24% - 60% replacement of their income, especially when this reduced income is taxed.

Coverage Types

Personal: Benefits to replace personal income up to 65%-75%.

Overhead Expense: Benefits to cover the monthly business expenses.

Key Person: Funding to hire a replacement of the Key Person in the event of a Total Disability.

Buy Sell: Funding for the cross purchase or stock redemption of a disabled partner.

Buy In: A Chiropractor who is buying into a practice creates a financial need for the existing chiropractor(s) in the insured inability to complete the Buy In due to a disability.

Contract Guarantee: Funding to fulfill a guaranteed contract.

Loan Indemnification: Funding to pay off a business loan.

Retirement Planning: Funding to replace future retirement fund deposits.



Special Features

Own Occupation: Benefits are payable when, due to sickness or injury you cannot perform the substantial and material duties of your regular occupation and you are under the regular care of a legally qualified physician.

Presumptive Disability: Benefits will be paid for the maximum benefit period even if you are able to return to your own or any other occupation. Benefits will be paid 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: Means that total disability benefits will be paid for disability following surgery if you donate an organ from your body to another person. Benefits will be paid as a sickness benefit. This benefit is applicable after the certificate has been in force for six months or longer.

Waiver of Premiums: After 90 days of Disability, if the Residual Disability option was purchased, we will waive the premium amount due for payment, including any grace period, for as long as the insured remains Disabled, but not beyond the expiry date of the certificate. Any premiums paid during that 90 day period will be refunded. The policy and its benefits will continue as if the premium had been paid. In the event of a Recurrent Disability, premiums will be waived from the first day of the recurrence.

Optional Coverages

Optional Residual Disability Rider benefits are payable when you are engaged in your own occupation, or another occupation, and you experience reduced income of 20% or more, due to a disability. The benefit amounts will be calculated by multiplying the monthly benefit amount provided by this certificate by the percentage of reduced income compared to the average monthly earned income received during the twelve month period preceding the onset date of disability.

Optional Cost of Living Adjustment (COLA) will automatically increase the monthly benefit amount based upon the consumer price index (cpi), but not to exceed 10% per year.

Optional Partial Disability Rider Benefits will be provided to the Loss Payee for a Partial Disability Monthly Benefits, should the insured have the inability to perform more than fifty percent (50%) of their Substantial Duties. Partial Disability Monthly Benefits means fifty percent (50%) of the Monthly Benefit Amount.

Carrier

The Insurance carrier of this plan currently has been in business for more than 300 year and has the following financial ratings.

Standard and Poor's: A+ (Strong). Stable Outlook

A.M. Best: A (Excellent). Stable Outlook

