

Important plan details

ELIGIBILITY: You can apply for Business Overhead Expense Insurance if you are a member in good standing, actively at work on a full-time basis in your profession (at least 30 hours a week), and are under the age of 60. All applications are subject to company acceptance.

RENEWAL: This coverage is renewed by paying the renewable premium applicable for your particular age. This policy will end if you do not pay the premium when due, reach age 70, cease to be actively at work on a full-time basis in your profession for reasons other than total disability, the group policy ends, you cease to be a member of the organization, the organization ceases to sponsor the plan, you are no longer a resident of the United States, or have been on foreign travel for longer than three months. If a person ceases to be a member of the organization and transfers to a similar organization that sponsors a like disability policy, the person will be entitled to coverage under that plan. As long as the organization sponsors this and no other similar plan, the renewal of coverage issued to the named organization's members is guaranteed.

DEFINITION OF DISABILITY: You are considered to be totally disabled when you cannot perform the substantial and material duties of your occupation because of sickness or injury. In addition, you must be receiving regular medical care by a Physician and not be performing the duties of any gainful job. To be covered, the sickness must begin while your policy is in force, and any total disability resulting from an accident must begin within 365 days of the accident, otherwise it will be considered a sickness.

EXCLUSIONS: Your Business Overhead Expense Insurance will not cover any of the following: income tax; salary; and other remuneration for the insured person; a relative who is not a paid employee hired at least three months prior to the onset of total disability; an associate or the insured person's replacement; the cost of any goods, merchandise, materials, equipment, leased automobiles, furniture, fixtures, implements or pharmaceutical products; payment on the principal of any debts; any expense for which you are not regularly liable prior to total disability; nor, in the case of a partnership or shared facility, the share of any expense for which you are not regularly liable for payment. No benefits will be paid for disability resulting from: suicide or attempted suicide while sane or insane; intentionally self-inflicted injury; war or any act of war whether declared or undeclared; service in the armed forces of any country or authority (in such event the pro rata unearned premium will be returned); traveling or flight in any type of aircraft operated by or under the direction of any military (land, sea, or air) authority or while in any aircraft operated by or under the direction of any military (land, sea, or air) authority or while in any aircraft being used for any test or experimental purpose; a pregnancy commencing less than 30 days after the effective date of your insurance (complications are treated as any other sickness); or participation in the commission or attempted commission of a felony. Benefits will not be paid for two or more disabilities at the same time. No benefits are payable for any period during which you are confined in a penal or correctional institution.

IMPORTANT: This brochure is only a brief summary and is subject to the terms, conditions, exclusions and limitations of Group Policy No. G-610,074; Form No. G-24024.

Administered by:



1500 Riverfront Drive • Little Rock, AR 72202
1-501-664-8791 • 1-888-272-6656
www.regions.com

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888-272-6656 or 1-501-664-8791**

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When your practice
depends on you,
who can you depend on?

Us.



**Group Business Overhead
Expense Insurance**
for members of the
Arkansas Bar Association



Overhead expenses don't stop just because you do

Without you, what would happen to your practice? And without your practice, what would happen to you? *Would the bills stop coming in just because you became disabled?*

If you find these questions troubling, economical Business Overhead Expense Insurance can provide a comforting answer. Overhead expense insurance can help you and your business make it through a health crisis by paying many of your business' expenses should you become totally disabled due to an injury or sickness. Overhead expense insurance:

- ▶ Pays covered overhead expenses for up to 24 months
- ▶ Lets you choose the monthly benefit that best suits your needs
- ▶ Premiums may be tax-deductible
- ▶ Premiums are waived after six continuous months of receiving monthly benefits for total disability if you're under age 60
- ▶ Is available whether you're in private practice or in a partnership
- ▶ Pays benefits retroactive to the first day of total disability
- ▶ Provides own occupation protection

Unlike many other policies, this plan pays benefits if you are unable to perform the substantial and material duties of **your own occupation**. You must be receiving regular medical care by a physician, and you must not be performing the duties of any gainful job.

Here's how Business Overhead Expense Insurance works for you:

Business Overhead Expense Insurance pays actual overhead expenses of your office while you are totally disabled due to injury or sickness. Eligible expenses include:

- ▶ Rent and leased equipment
- ▶ Employees' salaries
- ▶ Utility bills, including electric, heat, water and telephone
- ▶ Taxes
- ▶ Laundry
- ▶ Insurance premiums
- ▶ Accountants' services
- ▶ Professional association dues
- ▶ Depreciation and other fixed overhead expenses that are normal and customary in the operation of your business

Who can apply

You can apply for business overhead expense insurance if you are a member in good standing, actively at work on a full-time basis in your profession (at least 30 hours a week), and are under the age of 60. All applications are subject to company acceptance.

Apply for up to \$15,000 per month

Choose the overhead expense insurance you need, in increments of \$100 from a minimum of \$500 per month to a maximum of \$15,000 per month with a 30-day waiting period.

Renewable to age 70

Coverage is renewable to age 70 as long as you pay your premium when due, you remain actively at work on a full-time basis in your profession except for reasons of total disability, the group policy remains in effect, you remain a resident of the United States, you are not on foreign travel for longer than three months, you remain a member of the organization and the organization continues to sponsor this plan.

See the chart inside for your economical group premium amount...



Help keep your business up and running while you're unable to work due to disability

Payment options

You may pay your premiums annually or semi-annually (see chart at right for semi-annual premium costs). Annual premiums are twice the semi-annual premium amount shown. Premiums are applicable when the insurance becomes effective and is adjusted when you reach a new age bracket.

Benefit continuation

If you die while totally disabled, have been continuously disabled for at least 12 months and have been receiving monthly benefits, the insurance company will continue payment to your estate. Benefits will end when three monthly payments have been made to your estate or when the maximum benefit period ends, whichever occurs first.

Premiums may be tax-deductible

Premiums are typically tax-deductible as a business expense. This plan is designed to conform with the Internal Revenue Service ruling (55-264, I.R.B 1955-19, P.8), allowing Business Overhead Expense Insurance to be deducted as a business expense in computing federal income tax. Benefits, however, are generally taxable. Consult your personal tax advisor for specific details.

Premiums are waived during disability

If you become totally disabled before age 60 and receive disability benefit payments for six continuous months, premiums will be waived for as long as you remain totally disabled and continue to receive monthly benefits. When you stop receiving monthly benefits, premiums must again be paid when due.

30-day free look

Should you change your mind, you can return your Certificate of Insurance within 30 days after receiving it and obtain a full refund of your premium.

Customize your plan with optional benefits

On the enclosed application, under "Optional Riders," check any of the following optional benefits you would like your plan to include for an additional premium.

Guaranteed Purchase Option: This option gives you the ability to increase your original monthly benefit amount applied for on the application by 25 percent (without having to provide additional evidence of insurability) on the second, fourth, sixth and eighth anniversaries of your renewal date immediately following your effective date. Benefits can be increased up to the maximum available to the group. The increased benefit will not apply to any continuous period of total disability that starts before any of these anniversary dates. If you are totally disabled on any such anniversary date, this option will be available at the end of a period of continuous total disability.

The premium rate for this option is 4 percent of the sum of the base coverage amount.

Recovery Benefit Option: Upon your return to work, following a period of total disability for which you received benefits for 45 days or longer, you will receive a lump sum benefit from one-quarter of the monthly benefit to three monthly benefit payments.

Semi-annual premium per \$1,000 monthly recovery benefit (30-day waiting period):

Under 30	30-39	40-49	50-59	60-69
\$4.25	\$7.00	\$12.00	\$25.00	\$50.50

(15-day waiting period):

Under 30	30-39	40-49	50-59	60-69
\$10.25	\$13.75	\$22.50	\$41.75	\$83.50

Economical group rates

Semi-annual premiums per \$1,000 Monthly Benefit 30-day waiting period:

Under 30	30-39	40-49	50-59	60-69
\$20.00	\$30.00	\$50.00	\$90.00	\$150.00

15-day waiting period:

Under 30	30-39	40-49	50-59	60-69
\$26.00	\$38.00	\$60.00	\$105.00	\$174.00

Intermediate amounts available in increments of \$100 subject to a minimum of \$500 monthly benefit payment and a maximum of \$15,000 monthly benefit payment (if the applicant has coverage with the company through another association or society on an individual basis, the total monthly benefits of all plans in force and applied for shall not exceed \$15,000). For costs of monthly benefit amounts not shown, please call the plan administrator at 1-888-272-6656. Annual premiums are twice the semi-annual premium shown.

*For renewal only.

Coverage ends upon attainment of age 70.

How much coverage do you need?

The checklist below will help you determine how much Business Overhead Expense Insurance you need for your office. Your partners are eligible to apply separately for their share of overhead expenses.

Rent	\$ _____
Employee salaries	\$ _____
Insurance premiums	\$ _____
Taxes	\$ _____
Equipment lease payments	\$ _____
Utilities (electricity, heat, water, telephone)	\$ _____
Maintenance	\$ _____
Accountants' services	\$ _____
Professional association dues	\$ _____
Postage/stationery	\$ _____
Other miscellaneous (laundry, depreciation)	\$ _____

You would need this much to keep your office running should you become disabled: \$ _____

Medical exam not typically required*

Acceptance into this plan is subject to evidence of insurability as determined by the underwriting company. Depending upon the amount of coverage applied for, it may be necessary for you to have a paramedical exam, blood test and/or urinalysis, which can be conducted at your convenience and at no expense to you.

*Issuance of a Certificate of Insurance or payment of benefits may depend upon the answers given in the application and the truthfulness of those answers.

How to apply

Simply complete and return your application to the administrator in the postage-paid envelope, indicating the monthly benefit, waiting period and options you would like.

You need not send your premium now. If approved, a Certificate of Insurance will be sent along with a premium notice. Your coverage will begin on the date your application is approved, as long as your premium is paid within 30 days after you receive your Certificate of Insurance. You must be actively at work on the date your insurance takes effect. If you are not, your insurance will take effect on the day you resume such work.

Don't wait to start helping to protect your business

Fill out and return your application today. Keep your practice up – even if you're down.

If you have any questions, please contact our insurance specialists at 1-888-272-6656.