



Overhead Expense Insurance

Keep Your Business Open

As a business owner with a company to run, you know how difficult it is to get away. What happens if you become too sick or hurt to work? Could your business stay open while you were gone? Would the business be able to continue paying the bills if you weren't working?

You can help protect your business should you become too sick or hurt to work. **Overhead Expense (OE) insurance** from Principal Life Insurance Company helps:

- Keep your business running while you recover from a disabling injury or illness
- You have a financially sound business to sell, should you need to do so

How it works

Principal Life reimburses you each month for fixed overhead expenses while you're totally disabled and unable to work.

- It covers expenses such as rent or mortgage, utilities, employee salaries and much more.
- If your covered expenses differ from the monthly benefit amount, you may carry forward unreimbursed expenses or unused benefits to a later month during your disability.
- The premiums are tax-deductible and benefits received are reportable as income.
- Although benefits are taxable as income, the actual business expenses are deductible.

Benefits

- Helps pay the bills associated with running your business, so you don't need to dip into assets
- Can mean the difference between staying open and closing your doors
- Maintains goodwill with customers, vendors and creditors
- Helps retain business value

Time to establish a plan

To help cover business expenses in the event of a disability, establish a plan with the amount of insurance you will need. The worksheet below helps you determine what business expenses need to be paid each month.

MONTHLY EXPENSES

Rent or mortgage (interest and principal)	_____
Property taxes	_____
Business-related loan payments	_____
Insurance premiums (property, malpractice, fire, liability, employee benefits)	_____
Equipment leasing costs	_____
Accounting, billing and collection fees	_____
Security and maintenance	_____
Electricity, heat and water	_____
Telephone	_____
Subscriptions and membership dues	_____
Other fixed business expenses	_____
Employee salaries ¹	_____
Total Monthly Expenses	_____
Replacement salary	_____
Total Monthly Expenses with Replacement Salary	_____
Monthly Resources	
Source _____	_____
Source _____	_____
Total Monthly Resources	_____
Critical Shortage (Total Monthly Expenses – Total Monthly Resources)	_____

FOR MORE INFORMATION

Contact your local representative.

¹ Do not include: your salary; any other owner of the business; any person sharing business expenses; other members of your profession; individuals hired to perform your duties during disability; persons responsible for generation of business income; members of your immediate family (who were not full-time paid employees of the business for at least 60 days before disability began).



WE'LL GIVE YOU AN EDGE®

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Disability insurance has certain limitations and exclusions. For costs and complete details of coverage, contact your Principal Life representative.