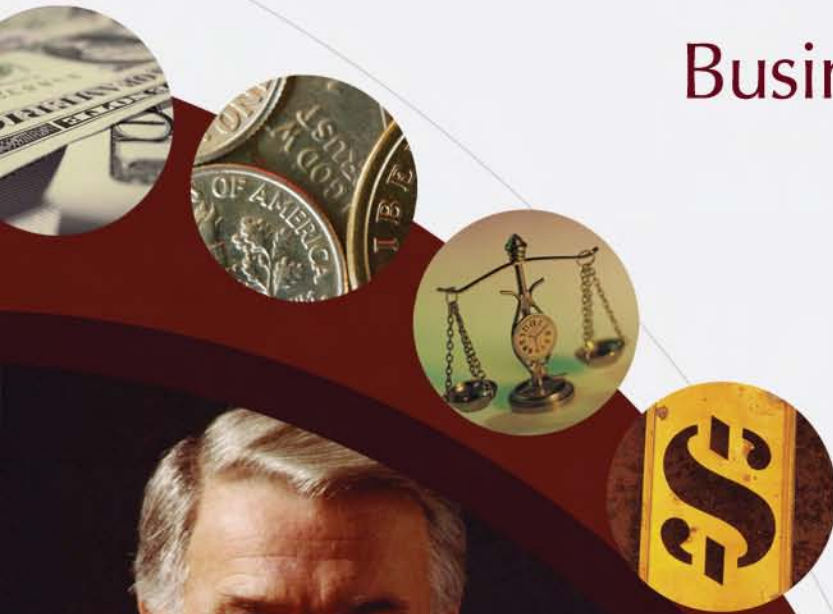


Business Overhead Expense

"Business Disability Insurance"

Plan BOE 0620



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Business Overhead Expense

Plan BOE 0620 Business Overhead Expense

Provides a tax deductible solution to a serious business problem
Business expense cash flow during periods of disability

Premiums for disability plans that provide reimbursement of overhead expenses are deductible.

IRS Ruling 55-264, 1955 ICB11

This guaranteed cash flow provides business stability & security

- Retains clientele because of continuing service
- Retains trained employees because of business continuation
- Helps maintain profit margins, even if income drops
- Releases benefits of disability income plans for personal use

Eligible Monthly Expenses of the Business

Rent or mortgage payments (including principle, interest & taxes) or Depreciation, if greater than principle payments.

Utilities (electricity, heat, telephone, & water).

Leasing costs or installment payments.

Laundry & maintenance.

Accounting, billing and collection services fees.

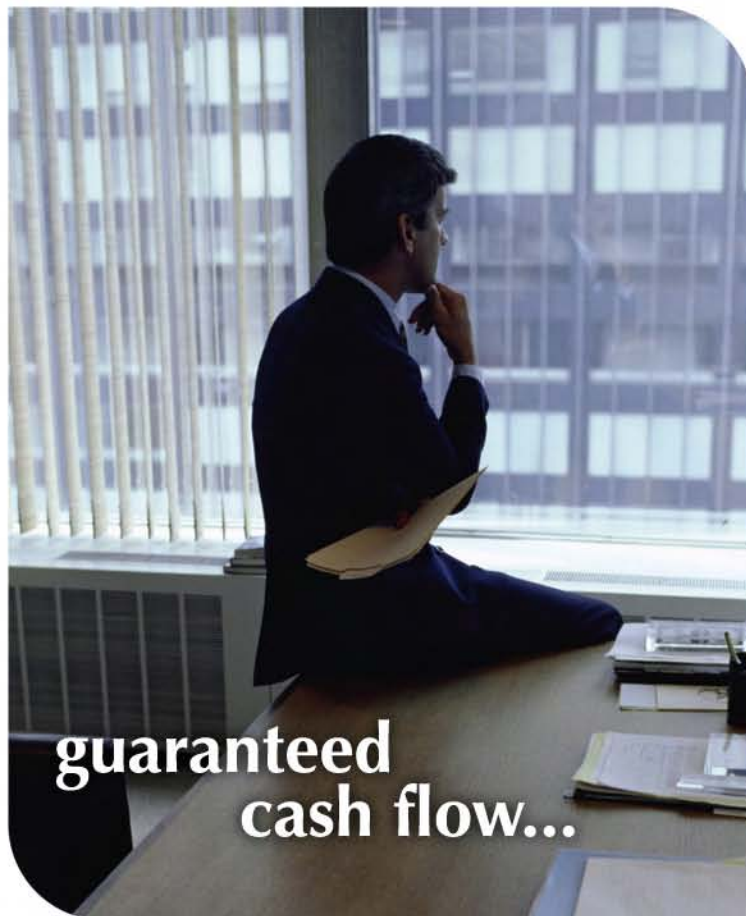
Business insurance premiums.

Employee Salaries.

Employee Benefits.

Property Taxes.

Other regular monthly expenses (except for cost of goods sold).



Covered Overhead Expenses must be generally accepted as tax deductible business overhead expenses by the U.S. Internal Revenue Service. They must be due and payable after Elimination Period.

Expenses Not Covered

Such expenses as

- 1) Salaries, fees, drawing accounts, profits, or other remuneration for
 - a) the Insured
 - b) any other member of the Insured's profession
 - c) any person sharing overhead expenses with the Insured
 - d) any person employed to perform the duties of the Insured or
 - e) any relative of the Insured who has not been a regular, full-time, salaried employee of the Insured for a period of at least sixty days immediately before the beginning of a period of Total Disability
- 2) Additions to inventory or the costs of goods or merchandise purchased for sale
- 3) Overhead expenses which would otherwise be covered to the extent that such expenses for which the Insured was not liable in the regular course of the operation of his business or profession immediately to a period of Total Disability for which benefits are payable under this Certificate.

*This is a brief description of the insurance provided by this plan.
The Certificate of Insurance is the complete description of coverage.*

Business Overhead Expense

Monthly Disability Benefits

Monthly Benefits are payable while Totally Disabled or Residually Disabled, if applicable, for reimbursement of eligible overhead expenses, beginning the first day following the Elimination Period, and for as long as the Maximum Benefit Period for each disability.

Carry Over Benefits, the difference between the amount of eligible expenses in any month that totals less than the Monthly Benefit amount shown in the Schedule of Benefits may be carried forward and applied in succeeding months, but not beyond the Benefit Period.

Special Features

Total Disability Monthly 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 Benefits Period even if you are able to return to your own or 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 you body to another person. Benefits will be paid as a Sickness benefit.

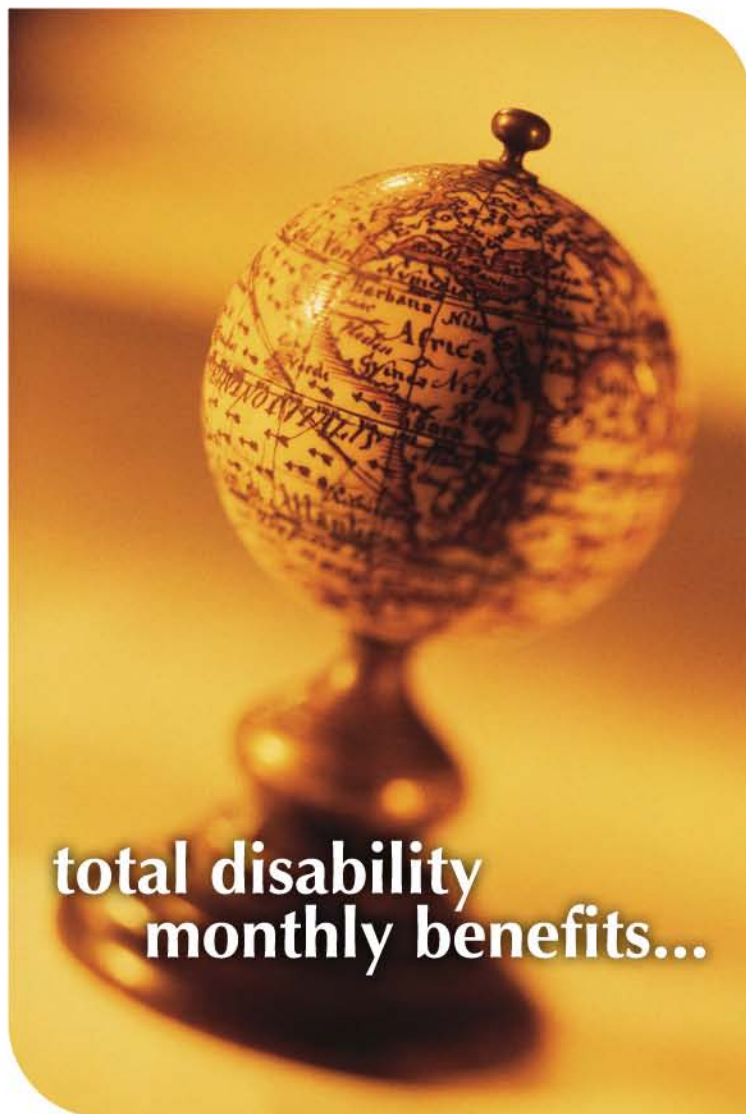
Tax Deductible Premiums are allowed by IRS Ruling 55-264. 1955 ICB11. "Premiums for disability plans that provide reimbursement of overhead are deductible."

Non-Cancelable, guaranteed renewable with guaranteed premium rate to expiry of Term of Insurance

No automatic termination age. Worldwide coverage. Full air travel coverage.

Options

Optional Residual Disability Rider Benefits are payable when you are engaged in your regular occupation, or another occupation, and you experience reduced income of 20% or more, due to 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.



**total disability
monthly benefits...**

Business Overhead Expense

Definitions

Sickness means disease or illness which is first diagnosed and results in a disability while this Certificate is in force.

Injury means accidental bodily injury sustained and which results in a disability while this Certificate is in force.

Specified Occupations

This is a Specified Occupation Plan. It will terminate automatically if you change from the occupation in which you were engaged in at the time the plan was issued, unless an agreement has been obtained in writing from the Underwriters and any additional premiums required by the Underwriters have been paid. The sole liability of the Underwriters in the event of an occupation change shall be to return on a pro-rata basis any unearned premiums paid for the balance of the plan term.

Terms of Insurance

This Certificate of Insurance is issued on a term basis ranging from one to five years in duration. It is customary that a new plan will be made available to the Insured at the expiry of the term, but this is not guaranteed. The premium rates are usually adjusted upward due to advanced age. Benefits and terms may be offered on a modified basis. A statement of health conditions will be required by the Underwriters for consideration of issue. Lack of an offer for a new term plan will be without prejudice to any claim in connection with a loss commencing while this plan is in force.

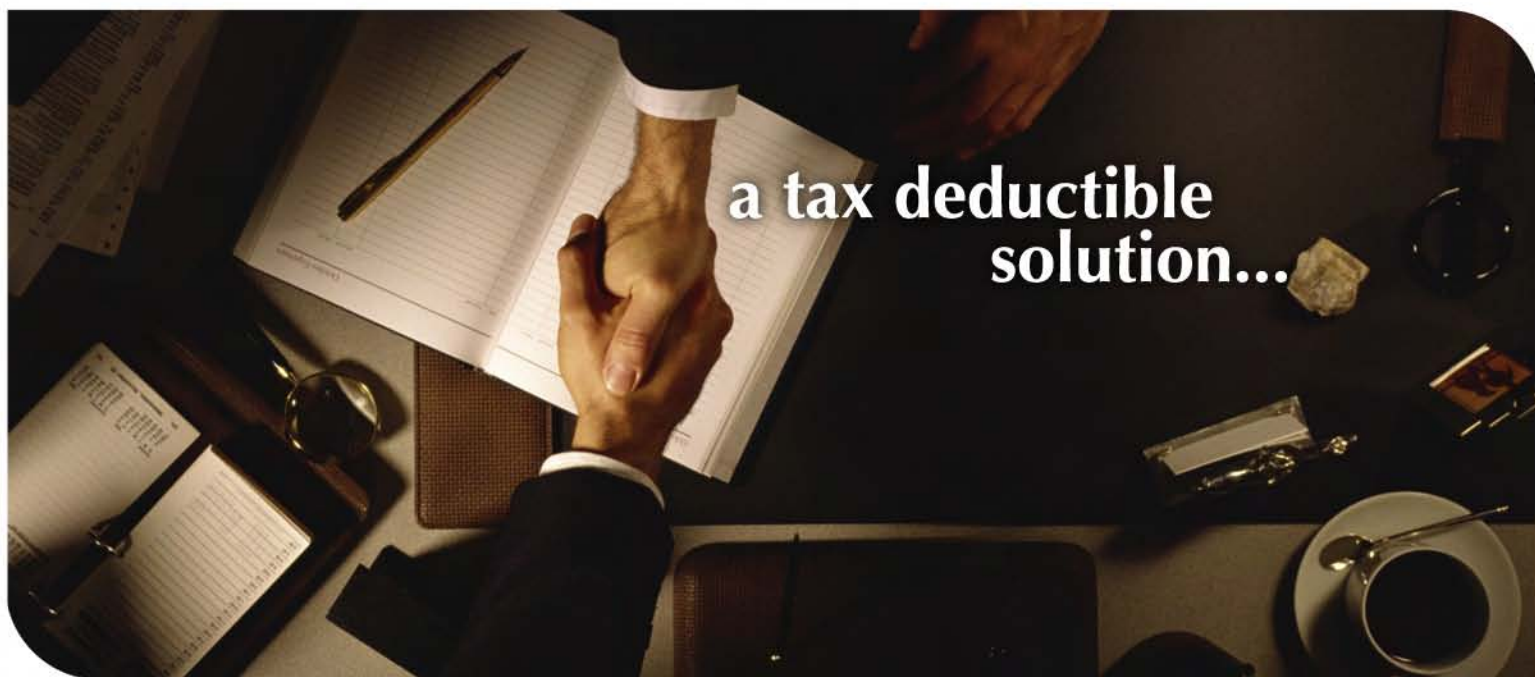
Grace Period

A Grace Period of 31 days will be granted for the payment of each premium falling due after the first premium, during which Grace Period the plan shall continue in force.

Exclusions

No benefits will be paid due to sickness or Injury caused by or contributed to by: suicide or intentional self-inflicted injury or poisoning; war, declared or undeclared; while committing or attempting to commit a crime; taking of illegal or non prescribed drugs, or addiction or misuse of prescription drugs; being under the influence of alcohol, as defined by the vehicle code in the state or providence in which the accident has occurred; Mental or Nervous Disorders; Pre-existing Conditions; Subjective Pain unless supported by objective medical findings; pregnancy related conditions including but not limited to fertility, pre-natal care, childbirth, miscarriage or abortion.

With prior written agreement from the Underwriters and the payment of any required additional premiums, the exclusions of war, acts of terrorism, mental or nervous disorders, drug and alcohol use may be omitted from the Certificate.



a tax deductible
solution...

*This is a brief description of the insurance provided by this plan.
The Certificate of Insurance is the complete description of coverage.*