



## Business Loan Protection with Overhead Expense Insurance

# Protect Yourself and Your Business

If you became too sick or hurt to work, how would you continue to make loan payments? Not sure? Principal Life Insurance Company can help. Our **Business Loan Protection rider**<sup>1</sup> provides funds to help you make those payments and keep your business open during an unexpected total disability.

### Benefits to your business

Protecting your ability to make loan payments in the event of a total disability:

- May help secure a loan from a financial institution, since it shows your ability to pay back the loan in the event of a disability
- Helps keep the business open and operating – helping retain employees and customers
- Creates goodwill with customers, employees, creditors, lenders, shareholders and stakeholders that there is a “contingency” plan

### About the Business Loan Protection rider

This solution (available for an additional cost as part of an Overhead Expense insurance policy) provides coverage for a variety of business-related financial loan obligations, such as:

- Purchase of a practice or existing business
- Purchase of expensive equipment
- Expansion of the business or practice
- Facility renovations and improvements
- An increase in working capital or build up of inventory
- Purchase of a building or land (for the sole use of the business)

## How your policy pays with this rider

The maximum monthly benefit Principal Life issues with this rider is based on the amount of your loan (up to a maximum benefit amount). Benefits are payable when you meet the policy's definition of a Total Disability and you satisfy the policy's claims requirements.

Once disabled under the terms of the policy, you must satisfy the rider's elimination period before being reimbursed for the loan obligation. Many elect to assign benefits directly to the financial institution holding the loan. This provides a valuable service and allows you to focus on other matters at hand during a disability. Benefits are sent on the first loan payment date after the elimination period is satisfied and continue during Your Continuous Disability but not beyond the Business Loan Protection Date.

This rider offers guaranteed premium rates until you reach the Business Loan Protection Termination Date<sup>2</sup> and it cannot be conditionally renewed beyond the age 65 policy anniversary. Your premiums are waived after you've been disabled for 90 days. Principal Life refunds the premiums paid for coverage after the disability begins and continues to waive all premiums during your Continuous Disability.

### FOR MORE INFORMATION

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<sup>1</sup> This rider offers guaranteed premium rates until you reach the Business Loan Protection Termination Date and it cannot be conditionally renewed beyond the age 65 policy anniversary.

<sup>2</sup> If you become Totally Disabled on the Business Loan Protection Termination Date, the Maximum Monthly Benefit is not paid for less than six months for Your Continuous Disability. If benefits are paid under this exception, any payment made after the Business Loan Protection Termination Date is paid to you.



WE'LL GIVE YOU AN EDGE®

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This is a general description of this rider; it is not the rider and does not modify or change the provisions of any policy or rider. May not be available in all states and with all occupation classes.

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