



SIMPLIFIED ISSUE
DISABILITY INSURANCE



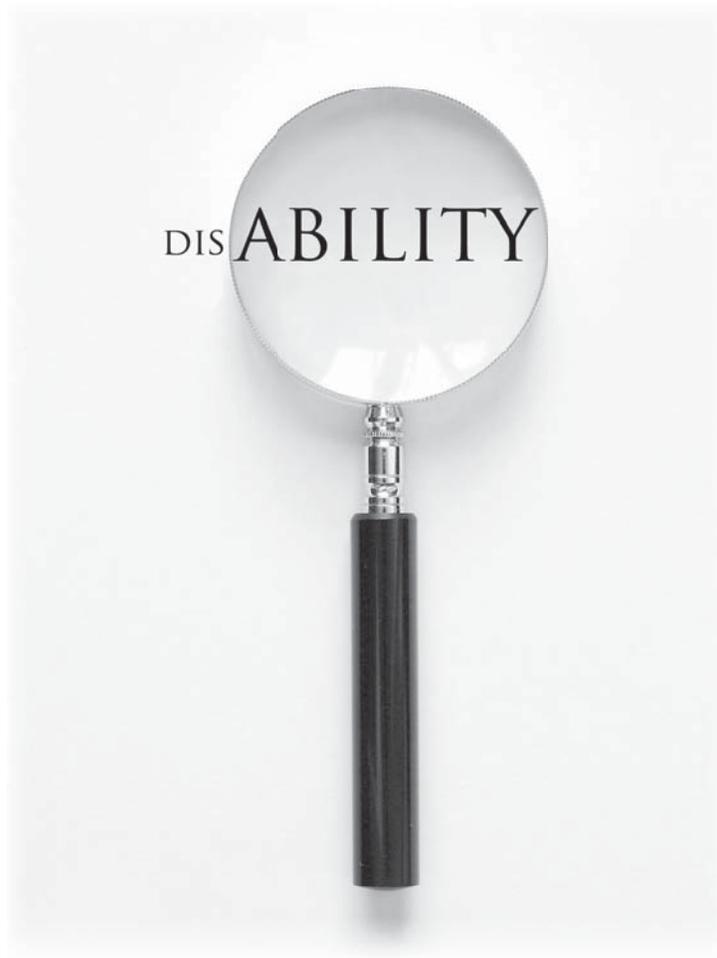
PETERSEN
INTERNATIONAL UNDERWRITERS

Why is this Coverage Needed

Every income earner, no matter age or occupation, needs disability income insurance. Disability insurance provides the insured person with monthly benefits which can be used to pay for monthly bills by replacing a significant portion of lost income. The coverage can help maintain a lifestyle, help financially protect the insured and his or her family from needing to liquidate hard earned assets and falling into serious debt.

64% of wage earners believe they have less than a 2% chance of becoming disabled for three months or more during their working career.¹ Statistical data paints a much different picture - just over 25% of today's 20 year olds will become disabled before they retire.²

Individual disability insurance provides blue and gray collar employees with financial benefits if they are unable to work due to an injury or illness. Disability insurance is recognized as a critical financial planning tool for all working people. Unfortunately not everyone can afford to purchase invaluable personal disability coverage from most carriers.



1) Council for Disability Awareness, Disability Divide Consumer Disability Awareness Study, 2010

2) U.S. Social Security Administration, Fact Sheet February 7, 2013

An Affordable Solution

In order to offer insurance programs on an individual basis, disability carriers incur significant costs during the underwriting process by obtaining medical exams and medical records. To recoup underwriting expenses, the premiums charged by many carriers are disproportionately expensive for most hard working, low-income clients.

The Simplified Issue Disability Insurance Plan was designed to offer a low-cost disability insurance option. Offering benefits in a simplified issue format allows underwriters to discount premiums and reduce the fees associated with underwriting expenses. By doing so, premiums are reduced to manageable monthly payments for the applicant.

Previously, many carriers would not offer coverage to anyone with an annual income below \$40,000. The Petersen International Simplified Issue Disability Insurance Plan now offers a solution to low-income households which were previously unable to obtain affordable and sufficient disability coverage.



Plan Features

Policy Term

Policies are offered with a 12 month policy term and can be rewritten annually with the only requirement being a simple, short-form application.

Elimination Period

Individuals with modest incomes usually have a greater chance of unbalanced personal finances. Many of us fall short in creating and maintaining personal savings. Keeping this in mind, this program was designed with a short elimination period, expediting the monthly benefits to the insured who, like many, live paycheck to paycheck.

Benefit Period

Statistics have shown that the average length of an individual disability claim is around 32 months. By tailoring the benefits to a 36 month benefit period, the insurance company is able to provide benefits that cover most disabilities.

Percentage of Income

The monthly disability insurance benefits are provided at 50% of monthly earned income. Benefits are received on a tax-free basis when premiums are paid by the insured.

Pre-Existing Condition Exclusion

Each policy period includes a 12/12 pre-existing condition exclusion for any condition that was treated and/or occurred within the 12 months prior to the policy effective date. Using a pre-existing condition exclusion, underwriters are able to eliminate costly examinations and laboratory reviews by medical doctors. These savings are passed along to the applicant in the form of lower premiums.



Policy Provisions

Presumptive Disability

If due to a sickness or injury you have totally lost: the use of both hands, or both feet, or one hand and one foot, or the sight of both eyes, or the hearing of both ears, or the ability to speak, the elimination period will be waived. The monthly benefit will be paid for the entire benefit period or as long you remain disabled, whichever is lesser.

Rehabilitation Benefit

Underwriters may offer financial assistance for a rehabilitation program if benefits are being paid under the policy and if the program is approved in advance. The terms of a rehabilitation program, related expenses and total disability benefits during this program, will be subject to mutual agreement.

Survivorship Benefit

If you pass away while you are receiving monthly disability benefits, we will pay a survivorship benefit equal to three times the monthly benefit.

Transplant Benefit

If you donate an organ after the policy has been in force for at least six months, any total disability resulting from the surgery will be considered an illness and will be covered.

Recurrent Disabilities

If after a period of total disability you return fulltime to work and within six months you are once again totally disabled, you can elect to continue the previous claim without the need for a new elimination period or choose to have a new elimination/benefit period. Once a period of six months has elapsed from returning to work, any new claim will have a new elimination and benefit period.





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This is not intended to be a complete outline of coverage. Actual wording may change without notice. Underwriters reserve the right to modify terms and conditions at time of underwriting.

