



Individual Disability Income Insurance

Business Owner Program

Offer higher occupation classes and premium savings.

Small and midsize business (SMB) owners are key to their business’s success, and our approach to occupation classification recognizes their value. We consider an applicant’s full contribution to the business, not strictly their profession. An owner of a plumbing business, for example, isn’t assessed only as a plumber—we also consider factors such as income, number of years in business, number of employees, and job duties. This can result in a higher occupation class assignment and lower cost.

Guidelines

If a business owner has at least **20% ownership** with **3+ years in business** and **5+ full-time W-2 employees**, they can qualify for the following occupation classes based on their income:

- **6A⁽¹⁾**: \$200,000+ annual net income
- **5A**: \$100,000 - 199,999 annual net income
- **3A**: Less than \$100,000 annual net income

(All amounts based on two years of income.)

Additional details

- Available in all states; disability income products only
- Excludes medical occupations, restaurant industry occupations, and uninsurable occupations

Good prospects

- Contractors
- Electricians
- Plumbers

A higher occupation class means lower cost.

This hypothetical example shows how receiving a higher class can lead to better rates. Assume the following⁽²⁾:

- A plumbing company has been in business for 5 years with 7 full-time employees.
- The owner has \$200,000 annual income and performs normal job duties.

Monthly benefit	Occupation class	Annual premium
\$5,000	1A	\$7,124
\$5,000	6A	\$1,373

81% premium savings!

A 1A occupation class would be assigned based on profession as a plumber; however, under the Business Owner Program, a 6A occupation class can be assigned.

For illustrative purposes only.

Benefits for you

- ✓ It's a quick and easy process for you to explain to your clients.
- ✓ Working with business owners can diversify your client base.
- ✓ Establishing relationships with SMBs with a chance for growth can lead to future revenue opportunities from additional business owner and employee solutions.



Let's connect

Call your sales team at 800-654-4278, option 2,2 to learn more.

⁽¹⁾ 5A-Select in California and New York.

⁽²⁾ Policy assumptions: Principal® Income Protector policy, male, age 45, non-tobacco, Michigan resident, 6A occupation class, \$200,000 annual income, \$1,000 monthly benefit, 90-day elimination period, includes Residual Disability and Recovery rider.



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