

**Standard Insurance Company**

Individual Disability Insurance  
1100 SW Sixth Avenue Portland OR 97204-1093

**Business Overhead Expense Insurance  
Application Supplement**

Proposed Insured (please print) \_\_\_\_\_

This application supplement is part of application(s) for insurance on the above named proposed insured. In this application supplement, "you" and "your" mean the proposed insured.

1. The Proposed Insured is a: (check and complete one.)
- a.  Sole proprietor (100% owner).
  - b.  Partner. Give your ownership percentage: \_\_\_\_\_%
  - c.  Shareholder of a corporation. Give your ownership percentage: \_\_\_\_\_%
  - d.  Other. Explain and give your ownership percentage: \_\_\_\_\_

2. Number of employees (exclude the proposed insured and other partners or shareholders):

- a. \_\_\_\_\_ Part-time
- b. \_\_\_\_\_ Full-time

3. If proposed insured is a partner or shareholder (or if 1-d above, is checked):

- a. Number of other partners or shareholders? \_\_\_\_\_ How many work full-time for this business? \_\_\_\_\_
- b. Are all other full-time employees of the business who are partners or shareholders already covered by or now applying for Business Overhead Expense Insurance?  yes  no  
If no, give details: \_\_\_\_\_

- c. What percentage of the total business expenses are you responsible for? \_\_\_\_\_% If this percentage is different from your percentage of ownership, please explain here or in the Remarks:  
\_\_\_\_\_  
\_\_\_\_\_

4. Does your business share office space and/or expenses with another person or firm?  yes  no

If yes, give details: \_\_\_\_\_

5. Do you or your business own all or part of the building in which your business is located?  yes  no

If yes: a. Is it owned by you personally (all or part) or by your business? Give details: \_\_\_\_\_

b. Give percentage owned: \_\_\_\_\_% by you; \_\_\_\_\_% by your business.

6. Are there any other members of your profession, or a related profession, employed by you or your business?

yes  no If yes, how many \_\_\_\_\_? Give details: \_\_\_\_\_

7. Do you have any other Business Overhead Expense Insurance in force or pending?  yes  no

If yes, give details: \_\_\_\_\_

(THIS FORM CONTINUES ON THE NEXT PAGE.)

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- 8. For occupations 3A and higher, what base salary, fees and wages would you pay a person hired to perform your duties? \$\_\_\_\_\_ per month. Identify and enter amount in "Other Fixed Expenses", below. This amount is limited to the lesser of 50% of all other covered expenses or 80% of the insured's current salary, fees and wages.
- 9. List your current average (last 12 months) **monthly** expenses. In the event of shared business ownership, list only your share of the expenses. Exclude any payments to you or to any person sharing expenses of your business or profession:
  - a. Employee wages.....\$\_\_\_\_\_
  - b. Employer paid FICA, other taxes and benefits paid for employees.....\_\_\_\_\_
  - c. Rent, lease payments.....\_\_\_\_\_
  - d. Equipment lease, rental payments.....\_\_\_\_\_
  - e. Utilities (telephone, electricity heat, water).....\_\_\_\_\_
  - f. Laundry, janitorial.....\_\_\_\_\_
  - g. Legal, accounting.....\_\_\_\_\_
  - h. Property, liability insurance.....\_\_\_\_\_
  - i. Malpractice insurance for you.....\_\_\_\_\_
  - j. Professional, association dues.....\_\_\_\_\_
  - k. Interest on business debt.....\_\_\_\_\_
  - l. Mortgage interest.....\$\_\_\_\_\_
  - m. Mortgage principal or depreciation, whichever is greater.....\_\_\_\_\_
  - n. Business property taxes.....\_\_\_\_\_
  - o. Office supplies, postage, subscriptions...\_\_\_\_\_
  - p. Equipment loan principal or depreciation, whichever is greater.....\_\_\_\_\_
  - Other fixed expenses\* (specify):
  - q. \_\_\_\_\_
  - r. \_\_\_\_\_
  - s. \_\_\_\_\_

Total of all your listed expenses .....\$\_\_\_\_\_

\* Exclude bonus, profit or commission paid to anyone, cost of sales or inventory, travel and entertainment, you or your business's income taxes, any business expenses for which you are not liable and compensation for any person sharing overhead expenses or any person employed to perform your duties.

Remarks (use this space for any explanations or details regarding any above questions):

I DECLARE that all answers to the above questions are correctly recorded and are true and complete to the best of my knowledge and belief. I agree that this application supplement shall become part of any contract of insurance based on such application.

\_\_\_\_\_  
Signature of Proposed Insured Signed at \_\_\_\_\_ on \_\_\_ / \_\_\_ / \_\_\_  
City, State

\_\_\_\_\_  
Signature of Policyowner (If Other Than Proposed Insured) Signed at \_\_\_\_\_ on \_\_\_ / \_\_\_ / \_\_\_  
City, State

\_\_\_\_\_  
Signature of Soliciting Producer Signed at \_\_\_\_\_ on \_\_\_ / \_\_\_ / \_\_\_  
City, State

Note: A person commits a fraudulent act when that person knowingly files an application for insurance which either contains materially false information or conceals material information with intent to mislead.