Keep Your Business Sailing Smoothly
Safeguarding Your Firm's Course
It’s not simply a business to you. It’s your life’s work. But what would happen to your life and work if disability struck?
Think About Your Investment in Your Business

You put a great deal of time and energy into your business, and it’s often the single largest asset in a business owner’s estate. In many instances, it represents your life’s work.

What Your Business Makes Possible

For many business and practice owners, the business provides the majority of current income. It’s what makes their lifestyle possible. Without that income, your everyday life and plans for the future would be significantly impacted.

But What if the Unexpected Happened to You?

The health of your business is closely tied to your health and that of your key employees. But what would happen to your business if you became too sick or injured to work?

Before you say that could never happen to you, consider the facts. Just over 1 in 4 of today’s 20 year-olds will become disabled before they retire.¹

And if you’re thinking that most disabilities are the result of freak accidents, then you’re in for a surprise. The vast majority of disabilities are caused by illnesses such as cancer, heart disease, or muscle, back and joint problems.

Having a protection plan in place for this important asset is critical to the continued well-being of you, your family, your business, and your employees.

¹ U.S. Social Security Administration Fact Sheet, February 7, 2013.
² Council for Disability Awareness 2013 Long-Term Disability Claims Review.
If You Were Too Sick or Injured to Work, Ask Yourself:

**What Happens When a Business Owner is Disabled?**

- **How would my personal lifestyle be affected?**
  - How long could I survive on my personal savings or my spouse/partner’s income?
  - How would my retirement, educational savings and other long-term goals be affected?
  - How would I pay day-to-day living expenses?

- **How would my business fare?**
  - How would I meet the business’ everyday expenses like rent and utilities?
  - Without me to perform my services, how will new revenue be generated?
  - Would I be forced to consider difficult choices like taking on debt or terminating employees?
  - Will I have an intact business to return to?

**Both** personal and business income begin to suffer quickly when a business or practice owner is disabled.

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Chart assumptions: Individual is totally disabled for 5 months and partially or residually disabled for 7 months.
High-Performing Disability Protection

You can’t know when a disability could strike, nor its extent or duration. But you can prepare for the possibility. There’s peace of mind that comes with knowing you have a plan “just in case” for yourself, your family, your employees, and your business.

When you make a plan for the possibility of disability, you’re able to evaluate options and select the best ones for yourself and your firm. You’ll be less likely to have to make rash decisions in the heat of the moment.

Choose strong coverage with the flexibility to meet the needs of your specific life and business circumstances. Turn to Berkshire Life, a Guardian Company. We’re an industry innovator with the following exemplary ratings as of November, 2013:

- A++ from A.M. Best Company
- AA+ from Standard and Poor’s

Continue reading in this brochure about how our disability protection can help you safeguard your:

- Personal Income
- Business’ Ability to Pay Everyday Expenses
- Firm’s ability to make payments on business loans
- Plans for the Business’ Future
- Employees’ income

You’ve worked too hard and invested too much to leave the future of your business to chance.
Acknowledging that your personal income and business may not be adequately protected in the event you were too sick or injured to work is an important first step. Now it’s time to assess your options.

This booklet was developed to help you understand how personal and business disability protection work and how coverages may vary from company to company. It’s important to look at disability protection overall to determine if you, your employees and your business will have sufficient coverage and financial assistance during a period of disability. When evaluating options, look for coverage that:

- **Offers choices to tailor coverage to**
  - Your personal and family income needs
  - Specific needs of your business and industry

- **Provides benefits that let you focus on your physical and financial recovery**
  - Pays personal income replacement and business overhead expense benefits during partial disability
  - Offers the option of coverage for the salary of your temporary replacement
  - Provides options for accelerated benefits to address business’ cash flow needs
  - Offers coverage to fund the buy-out of a disabled co-owner

- **Is Easy-to-Understand**
  - How total disability is defined
  - When benefits would begin
  - Length of time benefits are payable
  - How owner compensation is defined
  - How a value for your business is determined for insurance purposes

- **Progresses As You and Your Business Do With Options to**
  - Ensure benefits keep pace with inflation
  - Increase personal disability coverage as your income grows
  - Provide protection for longer-term dreams for yourself and your family
Consider the Risks

Now that you’ve begun looking at your disability protection needs, consider the specifics of what would be at risk. Jot down the key expenses that you have in your personal life and business.

<table>
<thead>
<tr>
<th>Monthly Expense Assessment</th>
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</thead>
<tbody>
<tr>
<td><strong>Personal Expenses</strong></td>
</tr>
<tr>
<td>Housing</td>
</tr>
<tr>
<td>Utilities</td>
</tr>
<tr>
<td>Food</td>
</tr>
<tr>
<td>Child Care</td>
</tr>
<tr>
<td>Loan payments</td>
</tr>
<tr>
<td>College savings or tuition</td>
</tr>
<tr>
<td>Retirement savings</td>
</tr>
<tr>
<td>Auto expenses</td>
</tr>
<tr>
<td>Miscellaneous</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Business Expenses</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent or mortgage</td>
</tr>
<tr>
<td>Utilities</td>
</tr>
<tr>
<td>Loan payments</td>
</tr>
<tr>
<td>Salaries &amp; other compensation</td>
</tr>
<tr>
<td>Taxes</td>
</tr>
<tr>
<td>Employee benefits</td>
</tr>
<tr>
<td>Miscellaneous</td>
</tr>
</tbody>
</table>
Disability Income Protection for Individuals and Business Owners

Coverage Value:
*Protects your personal income if you are too sick or injured to work.*

How It Works to Protect You:
*Our ProVider Plus Disability Income Insurance* protects you by providing income replacement that can help you meet daily living expenses such as housing, groceries, utilities, etc.

One of the strongest base contracts in the industry, our coverage includes:

- Choice of definitions of disability – important because it is a key factor in determining eligibility for benefits.
  - True own-occupation – most flexible, making it possible for you to work in another occupation and still be eligible for total disability benefits
  - Modified own-occupation – benefits are payable when you are unable to perform the duties of your own occupation and you are not working

- Waiver of elimination period
  - All disability insurance policies have an elimination period – the period of time that must elapse from when you first become disabled before benefits are payable.
  - With our ProVider Plus coverage, if you suffer a disability that lasts more than 6 months and are paid benefits, we’ll waive the elimination period for any subsequent disability that occurs within 5 years, regardless of the cause (whether it’s a new illness or injury or a relapse of the original disabling condition).

- Waiver of premium benefit
  - After the elimination period, waives premiums during a period of disability and for 6 months after your claim ends to help your financial recovery, and
  - Reimburses premiums paid that apply to the period of disability
You can tailor coverage to the unique demands of your lifestyle and circumstances with options to:

- Provide benefits for partial or residual disabilities to facilitate your physical and financial recovery
  - Provides for partial benefits when you lose a percentage of your pre-disability income due to sickness or injury, thus permitting you to focus on recovery and working to rebuild your practice or business
  - Includes a recovery benefit payable for up to the entire benefit period
- Mitigate some of the effects of inflation
  - Several choices to add a Cost-of-Living Adjustment option to your coverage
- Longer-term benefits options
  - Lump sum benefit to help you offset the missed opportunities for savings for college educations, real estate, retirement, etc.
  - Graded Lifetime benefits option
  - Protection for your retirement plan contributions

### Coverage that Keeps Pace with You as Your Career and Business Grow

<table>
<thead>
<tr>
<th>What is Covered</th>
<th>Who can be covered</th>
<th>This coverage is for</th>
<th>Tax treatment of premiums</th>
<th>Benefits received will be</th>
</tr>
</thead>
</table>
| Personal income       | Business owner(s) (Any individual may also be covered, but the tax treatment would differ from that of the owner.) | LLCs
Sole Proprietors
Partnerships
C corps
S corps | Premiums paid for the owner’s coverage are tax-deductible to the business; the owner must claim these as income.¹ | Tax-free (For an individual, benefits would be paid tax-free if the policy is paid for with after-tax dollars.) |

¹ S corp shareholders whose ownership exceeds 2% must also claim as income.
Disability Protection for Your Business

When Your Objective is to Cover the Everyday Expenses to Keep Your Business Running

Overhead Expense Disability Insurance

Coverage Value:
Protects your business’ ability to meet everyday business expenses when a business owner is too sick or injured to work

How It Works to Protect Your Business:
If you or a co-owner became disabled, your business may be less able to provide the services your customers expect. Customers would have to go elsewhere, resulting in declining revenue for your business. However, your business’ routine expenses don’t stop. Overhead Expense (OE) Disability Insurance helps ensure that your business can meet its routine expenses during a period of owner disability.

It provides reimbursement for up to 100% of covered expenses such as:

- Rent, utilities, and taxes
- Loan interest and principal payments (or depreciation)
- Up to 50% of the salary of your replacement
- Salary and benefits of non-owner employees

Ease Cash Flow Worries
Business owners tell us that maintaining cash flow is a key concern for their business in the event of a disability. Options to help address this concern include:

- Access to an additional pool of benefits to reimburse for extraordinary or fluctuating expenses
- Advancement of 50% of first monthly benefits before submitting proof of expenses, providing benefits much sooner than most competitors

1 Included in the Supplemental Overhead Expense Rider. Not available in FL.
2 When the Accelerated Benefit Endorsement is a part of the policy and the insured individual has been determined to be totally disabled continuously throughout the elimination period.
Our Overhead Expense Disability Insurance Pays Benefits Quickly.

With maintaining adequate cash flow so important for business owners, we’ve purposefully designed our Overhead Expense coverage to pay benefits sooner. We advance half of the policy’s monthly benefit the day after the elimination period, or waiting period, is satisfied in the event of a total disability. That’s before proof of covered overhead expenses has been submitted. Few other carriers in the marketplace even come close to offering small business clients that degree of flexibility to sustain cash flow.

In this example, the business owner is totally disabled and his/her OE policy has a 30-day elimination period with a $30,000 monthly benefit. On day 31, the policy would pay $15,000. Most other policies in the marketplace wouldn’t start paying until after all documentation of expenses has been received and approved.

<table>
<thead>
<tr>
<th>What is Covered</th>
<th>This coverage is for</th>
<th>Tax treatment of premiums</th>
<th>Benefits received will be</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most normal, necessary and customary expenses incurred to run the business</td>
<td>LLCs, Sole proprietors, Partnerships, C corps, S corps</td>
<td>Premiums are tax-deductible.</td>
<td>Reportable as income</td>
</tr>
</tbody>
</table>

Pays Benefits Sooner to Preserve the Continuity of Your Business
Disability Buy-Out Insurance

Coverage Value:
*Funds the purchase of a disabled owner’s portion of the business in the event of disability*

How It Works to Protect Your Business:
Disability Buy-Out Insurance (DBO) helps when you or a co-owner suffer a prolonged or permanent disability and, as a result, you need to sell your share of the business. DBO provides funds for the purchase of the disabled co-owner’s interest.

Few business owners have a plan in place to protect their business in the event of a co-owner’s disability. Most underestimate the chances of a disability striking them or a co-owner. Before you dismiss the possibility of it happening to you, look at the odds below.

![Bar chart showing chances of one co-owner becoming disabled for 12 months or more before age 65.](chart)

*Chances (%) of One Co-Owner Becoming Disabled for 12 months or More Before Age 65*

<table>
<thead>
<tr>
<th>Number of Owners in Business</th>
<th>Average Age 32</th>
<th>Average Age 42</th>
<th>Average Age 52</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>26%</td>
<td>23%</td>
<td>17%</td>
</tr>
<tr>
<td>3</td>
<td>36%</td>
<td>32%</td>
<td>25%</td>
</tr>
<tr>
<td>4</td>
<td>45%</td>
<td>41%</td>
<td>32%</td>
</tr>
</tbody>
</table>

Source: NAIC Commissioners Disability Table. Statistics shown are based on data collected from independent disability carriers and reflect only individuals with DI policies.
If one of your partners was disabled, how would you resolve conflicting interests?

Our Disability Buy-Out Insurance helps your business alleviate many of these concerns. It ensures that funds are available so that the business can avoid depleting savings or investment accounts, drawing on future earnings, or affecting credit sources in order to buy out the disabled co-owner.

**Easy-to-Understand Business Valuation Formula In the Contract**

Our Disability Buy-Out Insurance includes a business valuation formula *right within the policy*. This makes it easier for you and your co-owners to understand how the business is valued when purchasing your policy as well as at the time of a claim. Something so important as the value of the business you’ve worked so hard to build should be straightforward in any Disability Buy-Out policy you consider.

If you or a co-owner became disabled, are you prepared?
Disability Protection for Your Business

Insurance Specifically for Business Loans

Coverage Value:
Protects your business’ ability to pay business loans and other contractual financial obligations

How It Works to Protect Your Business:
Our Business Reducing Term (BRT) coverage helps protect your business by funding up to 100% of any financial obligation (direct to the lender) that requires regular payments over a defined term. Such obligations include:

- Business start-up or practice purchase loans
- Capital improvement or expansion loans
- Employment contract guarantees
- Equipment purchase or lease agreements

Match the Policy Duration to the Term of Your Loan
This coverage can be applied for at any time, whether you're just taking out the loan, or whether you're partway through paying it off. The policy duration is matched to the remaining length of your financial obligation, giving you precisely the coverage you need.

Consider the example of a policy acquired just as you take out a ten-year loan. The policy term would also be ten years. The number of months for which the policy provides benefits is reduced as you pay down the debt and the remaining length of the financial obligation is reduced. However, the full monthly benefit is payable until the policy’s date of termination or until you recover.

In this scenario with the ten-year loan, let’s say you became totally disabled three years after taking out the policy, and remained totally disabled. After satisfying the waiting or elimination period, benefits would be payable for the remaining time of your loan, nearly seven years.
Coverage Choices

How Does Loan Coverage Under BRT Differ From That With Overhead Expense Insurance?

You may be considering Overhead Expense (OE) Insurance to protect your ability to meet everyday business expenses and operational costs in the event of a disability. You can choose to have your OE policy include coverage for your loan payments. Your protection for the loan payments matches that of the OE policy duration. OE policies in the marketplace typically have a benefit period of 12 to 24 months.

A second option is to cover the loan using BRT. With this option, the policy duration can be tailored to the duration of your loan.

We offer protection for business loans under both of these types of insurance so that you can choose the protection that best suits the unique needs of your business.

<table>
<thead>
<tr>
<th>What is Covered</th>
<th>This coverage is for</th>
<th>Tax treatment of premiums</th>
<th>Benefits received will be</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed-term business payments including business loans, purchase and lease agreements, employer contracts</td>
<td>LLCs, Sole proprietors, Partnerships, C corps, S corps</td>
<td>Premiums are non-deductible.</td>
<td>Tax-free.</td>
</tr>
</tbody>
</table>

Keep Your Business Healthy… Even if You Aren’t
Disability Income Protection for Your Employees

We can help you provide the employee benefits you need to attract and retain the talent essential for success. Whether you choose to offer benefits funded by the business, by employees, or some combination, you’ll find just what you need with these flexible programs.

<table>
<thead>
<tr>
<th>Use When Your Objective is to:</th>
<th>Coverage</th>
<th>Who Can be Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reward key employees</td>
<td>Executive Bonus Plan: Combines employer-paid disability income coverage</td>
<td>LLCs</td>
</tr>
<tr>
<td></td>
<td>with a tax-free disability plan</td>
<td>Sole proprietors</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partnerships</td>
</tr>
<tr>
<td></td>
<td></td>
<td>C corps</td>
</tr>
<tr>
<td></td>
<td></td>
<td>S corps</td>
</tr>
<tr>
<td>Provide employer-sponsored coverage to groups of 5 or more employees or to supplement existing group LTD with no medical underwriting</td>
<td>Supplemental Income Protection Program: Supplements group long-term disability coverage (LTD). Well-suited for all employees, but particularly those who are highly-compensated or paid on commission.</td>
<td>LLCs</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sole Proprietors</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Partnerships</td>
</tr>
<tr>
<td></td>
<td></td>
<td>C corps</td>
</tr>
<tr>
<td></td>
<td></td>
<td>S corps</td>
</tr>
<tr>
<td>Protect employees and take a tax deduction for the business to supplement existing group LTD</td>
<td>Qualified Sick Pay Program: Funds a Qualified Sick Pay Plan that enables the business to continue making salary payments to disabled employees. Coverage for employees and owner-employees with less than a 2% ownership interest.</td>
<td>Appropriate for any small business with key employees. Of particular value to C corp owners interested in providing a deductible benefit for themselves.</td>
</tr>
</tbody>
</table>
Use When Your Objective is to:

- Coverage who can be covered
- Can the employer choose who to cover
- Coverage paid for by business or employee
- Tax treatment of premiums
- Benefits received will be

- Reward key employees
- Executive bonus plan
- Combines employer-paid disability income coverage with a tax-free disability plan
- LLs
- Sole proprietors
- Partnerships
- Corps
- Corps

**Yes** Business The bonus paid by the employer to cover the premium may be deductible as a compensation expense, to the extent reasonable. The bonus is included in the employee's taxable income.

**Yes, the employer can define which groups of employees are eligible.**

- Business or Employee or Combination
- Premiums paid for employees are deductible by the employer.
- Benefits are taxable if premiums were paid by employer: Employee-paid premiums are tax-free.

**Yes**

- Business
- Deductible by employer; employer-paid premium is excluded from employee's taxable income
- Reported as income
Disability Income Protection for Your Employees (continued)

Offering a cost-effective, robust benefits package can help you differentiate your firm with prospective hires and increase satisfaction for your existing workforce. Whether your business is a start-up or a well-established firm, you’ll find choices and options to tailor an employee disability protection program to your needs and those of your employees.

<table>
<thead>
<tr>
<th>Use When Your Objective is to:</th>
<th>Coverage</th>
<th>Who Can Be Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enhance your benefit program at no cost to the business by sponsoring one for 3 or more individuals</td>
<td>Voluntary Income Protection Program</td>
<td>Provides income protection at no expense to the business for eligible employees who choose to participate. Can serve as supplement to group long term disability plan.</td>
</tr>
<tr>
<td>Obtain discounted coverage for 3 or more employees in your firm where there is no employer sponsorship</td>
<td>Professional Group Discount Program</td>
<td>Income of eligible employees who choose to participate. Not available to medical and dental student resident groups.</td>
</tr>
<tr>
<td>Protect employee and employer retirement contributions to an individual retirement plan</td>
<td>Retirement Protection Plus Program</td>
<td>Replaces monthly contributions into a company or individual retirement plan plus the amount the company was contributing. Benefits paid into a trust specifically for this purpose with investments at insured’s discretion.</td>
</tr>
<tr>
<td>Can the Employer Choose Who to Cover</td>
<td>Coverage Paid for by Business or Employee</td>
<td>Tax Treatment of Premiums</td>
</tr>
<tr>
<td>-------------------------------------</td>
<td>------------------------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>N/A</td>
<td>Employee</td>
<td>No impact to the business</td>
</tr>
<tr>
<td>N/A</td>
<td>Employee (No employer sponsorship)</td>
<td>Premiums paid are not tax-deductible.</td>
</tr>
<tr>
<td>Yes, when part of an employer-sponsored plan</td>
<td>Employee</td>
<td>Premiums may be paid as tax-deductible business expenses, or with after-tax dollars.</td>
</tr>
</tbody>
</table>
Strong disability protection is an important element of running a business or practice effectively. As you’ve learned in this brochure, you can:

- Protect yourself and your family with personal disability income coverage to help maintain your current lifestyle and minimize sacrifices.
- Safeguard your business with disability coverage that reimburses overhead expenses, helps to fund a buy-out, and protects your ability to meet business loan payments.
- Recruit and retain employees by offering a robust benefits package that includes strong disability income protection paid for by the business, employees, or a combination.

Want to learn more?
Mark the pages in this booklet that describe the coverages that you think may pertain to you and your business or practice. Refer back to page 5 to review your initial assessment of expenses. Use the worksheet on page 19 to consider what your objectives are for yourself, your business, and your employees.

Next:
- Think about which types of disability insurance coverage align with your protection objectives.
- If you have co-owners, discuss the importance of planning now for the possibility of one of you being too sick or injured to work.
- Contact your financial or insurance advisor to make sure you, your business, and your employees are protected in the event of a disability.
Assess What’s Right for You and Your Business

As you consider what disability protection you, your business and your employees need, rank your priorities.

Your Business Structure

How is Your Business Structured? (LLC, Sole Proprietorship, Partnership, C corp, S corp)

Total Number of Employees

Key Owner or Shareholder Name(s)  Percent Ownership

Your Objectives and Priorities

<table>
<thead>
<tr>
<th>Objective</th>
<th>Check Those That Apply for You</th>
<th>Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protect Owner Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protect the Business' Income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protect key employees' income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protect the income of all employees</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maximize tax deductions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minimize taxable benefits</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Protect ability to pay loans</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Control costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix

Disability income products underwritten and issued by Berkshire Life Insurance Company of America, Pittsfield, MA, a wholly owned stock subsidiary of The Guardian Life Insurance Company of America (Guardian), New York, NY or provided by Guardian. Optional riders are available for an additional premium. Product availability, provisions and features may vary from state to state.

**Benefit Period**  
A twenty-four month mental and/or substance-related disorders limitation is included on all policies issued to anesthesiologists/anesthetists (MD, DO, or CRNA), emergency room physicians, pain management physicians, and nurse anesthetists. Limitation also applies to all new policies issued in the states of California and Florida. The limitation does not apply to policies issued as a result of a future increase option or future purchase option where the policy from which the option is exercised does not contain such a limitation. The limitation does not apply to any policies issued in the state of Vermont, regardless of occupation.

**Business Valuation Endorsement**  
The business value determined by the Business Valuation Endorsement is one of several factors used to determine the Disability Buy-Out benefit payable. As such, the Disability Buy-Out benefit amount may differ from the business value determined by either the Business Valuation Endorsement or that of an independent appraisal. See policy form 3200 Provisions Related to Benefits for details.

**Cost of Living Adjustment Rider**  
This benefit is not necessarily protection against increases in the cost of living.

**Definition of Total Disability**  
A different definition of total disability applies to policies issued in California. Contact your agent or broker for complete details.

**Eligibility for Benefits**  
For each coverage type described in this brochure, the actual policy and its terms and provisions govern eligibility for benefits. Please refer to a specimen contract for details.

**Future Increase Option**  
Restrictions and limitations apply. While medical information is not required when exercising a future increase option, applications to exercise an increase option will be financially underwritten taking into consideration both the applicant’s then-current income, as well as all disability insurance which is then in force, or for which the insured has applied or is eligible to receive.

**Retirement Protection Plus Program**  
Retirement Protection Plus is not a pension plan or a substitute for one. Not available in New Jersey.
Disability Insurance is one of the most reliable and flexible sources of protection for you, your business, and your employees.
Disability insurance Policy Forms 1400, 1500 or 1600 underwritten and issued by Berkshire Life Insurance Company of America, Pittsfield, MA, a wholly owned stock subsidiary of The Guardian Life Insurance Company of America, New York, NY. This policy provides disability insurance only. It does not provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department. For policy forms 1400, 1500, or 1600, the expected benefit ratio is 50% (including NY 1400). For policy forms 1400-F, 1500-F, or 1600 F, the expected benefit ratio is 60% (NY only). The expected benefit ratio is the portion of future premiums that the company expects to return as benefits, when averaged over all people with these policy forms respectively.

Policy Form 4100 or 4200 underwritten and issued by Berkshire Life Insurance Company of America, Pittsfield, MA, a wholly owned stock subsidiary of The Guardian Life Insurance Company of America, New York, NY. This policy provides disability insurance only. It does not provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department. The expected benefit ratio for this policy is 50%. This ratio is the portion of future premiums that the company expects to return as benefits, when averaged over all people with this policy.

Policy Form 3100 or 3200 underwritten and issued by Berkshire Life Insurance Company of America, Pittsfield, MA, a wholly owned stock subsidiary of The Guardian Life Insurance Company of America, New York, NY. This policy provides disability buy-out insurance only. It does not provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department. The expected benefit ratio for this policy is 55%. This ratio is the portion of future premiums that the company expects to return as benefits, when averaged over all people with this policy.

Policy Form AH55-A provided by The Guardian Life Insurance Company of America, New York, NY.

Product availability, provisions, and features may vary from state to state. Optional riders are available for an additional premium.

This brochure is provided for informational purposes only and should not be considered tax or legal advice. Please contact your tax or legal advisor regarding the tax treatment of the policy and policy benefits. You should consult with your own independent tax and legal advisors regarding your particular set of facts and circumstances. The information provided is not intended or written to be used, and cannot be relied upon, to avoid penalties imposed under the Internal Revenue Code or state and local tax law provisions.

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