



Office Overhead Expense plan

You've worked hard
to build your firm.
Now make sure it's
protected.

A Member Benefit of:

STATE BAR of TEXAS

Texas Bar Private Insurance Exchange

OFFICE OVERHEAD EXPENSE PLAN

Don't let your firm suffer if you can't work

Whether you've had your own firm for years, or are just starting out, you know that running a law firm is expensive. You pay employee salaries, rent, taxes, utilities—and the bills could add up quickly if you were to become disabled and couldn't practice law while you were recuperating.

After working hard to realize your dream of opening your own firm, you don't want to be in a position of having to close up shop if you can't work for awhile. That's why it makes sense to consider the Office Overhead Expense Insurance plan, available to you as a member of the State Bar of Texas (SBOT) and issued by The Prudential Insurance Company of America.



Office Overhead Expense Insurance can help

If you become disabled

If you're disabled and can't work, Office Overhead Expense (OOE) Insurance pays your actual overhead expenses, up to the benefit amount you select. The State Bar of Texas OOE plan covers you 24/7, and you don't have to be permanently disabled or confined to your home or a hospital to receive benefits.

OOE Insurance covers office expenses that you typically incur while running your firm, such as:

- Charges for electricity, telephone, heat, water, and laundry
- Employees' salaries or wages
- Costs related to maintaining equipment
- Payments for leased equipment and furniture
- Car allowances (as related to the firm)
- Interest on existing business loans incurred prior to disability
- Business insurance premiums
- Payroll taxes
- Rent or mortgage interest payments
- Real estate taxes
- Principal and interest on debt related to purchase of the practice
- Principal and interest on student loans (amounts previously payable by the firm)

Call 1-800-282-8626 for more information or to get a complete list of expenses covered by your policy.

With tax-deductible payments

Your OOE Insurance premium payments may be deductible when filing your federal income tax. As a business expense, your payments fall under IRS ruling 55-264, IRB 1955-19, page 8. Consult your tax advisor about this deduction.

If you leave Texas

If you decide to move out of state, you can continue your coverage as an affiliate State Bar member until you reach age 70.

When your survivors need support

If you die while receiving benefits, your spouse or dependent children will receive a single lump sum benefit equal to the lesser of three-times your Maximum Monthly Benefit or 50% of your Maximum Monthly Benefit times the number of months remaining in the unexpired portion of the Maximum Benefit Duration at the time of your death.

Future Increase Option

Attorneys who apply for coverage and are medically approved prior to age 40 will be permitted to increase their coverage by \$1,000 annually (up to a \$5,000 lifetime maximum)

without requiring proof of good health. All coverage increases must be exercised prior to age 45 and a member's total coverage cannot exceed the Plan maximum of \$10,000.

Questions?

To learn more about this plan, please call us toll-free at 1-800-282-8626 to speak to a trained professional. Or visit our website texasbar.memberbenefits.com/ooe.



Quarterly Costs	
Age	Quarterly Cost per \$100 of Monthly Benefit
Under 30	\$ 2.55
30-39	3.00
40-49	3.60
50-59	4.90
60-69	6.85

Calculate your costs

Use the chart to the left to calculate your quarterly premium. The maximum monthly benefit amount is \$10,000. Premiums are paid quarterly and are due on the 1st of January, April, July, and October.

Rates are effective January 1, 2013. Subsequent changes to your rate are based on your age as of each January 1.

Rates change as the insured enters a higher age category, also rates may change if plan experience requires a change for all insureds.

This is an important benefit of your membership—don't pass it by!

OOE PLAN FEATURES:

- Up to \$10,000/month in coverage available.
- Coverage you can keep, as long as you maintain your State Bar of Texas membership.
- Benefits that can help you pay student loans, leased equipment and furniture, car allowances, business loans, interest on existing loans, and more.

APPLY NOW!

Requesting OOE Insurance is easy. Simply complete the Request Form you received in the mail or downloaded from texasbar.memberbenefits.com/ooe. Then return it to SBOTIT in the postage-paid envelope provided or mail it to: Texas Member Benefits, 919 Congress Avenue, Suite 720, Austin, TX 78701. You will be notified when your request has been approved and the coverage is in effect.

QUESTIONS:

Please call 1-800-282-8626.

Visit texasbar.memberbenefits.com/ooe to get information on OOE and download a Request Form.

KNOW YOUR NEEDS

If you don't know how much Office Overhead Expense Insurance you need, use this worksheet to find out. If your firm is a professional corporation or a partnership, only list your portion of the expenses.

Monthly expense worksheet

Rent or mortgage	\$
Employee salaries	\$
Employee benefits	\$
Property taxes	\$
Loan interest	\$
License fees	\$
Office insurance (including malpractice)	\$
Accountant fees	\$
Ongoing educational programs	\$
Professional membership dues	\$
Business seminars (including travel expenses)	\$
Electricity	\$
Heat	\$
Water	\$
Laundry	\$
Telephone	\$
Answering service	\$
Office equipment and leases	\$
Depreciation of equipment	\$
Computer network and data access fees	\$
Office supplies	\$
Other fixed expenses	\$
Total	\$
Subtract estimated overhead reduction during disability*	\$
Monthly Benefit Needed	\$

*If you can reduce any expenses during disability without impacting your business, you may want to subtract this amount when calculating your insurance needs.

Additional coverage and benefit Information

Benefits begin after you have been totally disabled for 16 continuous days. If you're under age 70, your benefits can continue for as long as 24 months for each period of disability. If you're under age 70 and are continuously disabled for more than 24 months but have not yet reached the aggregate amount (equal to your monthly benefit amount multiplied by 24 months), benefits can continue until the aggregate is reached or for 12 months, whichever occurs first. Your coverage ends on the January 1 that follows your 70th birthday. You are considered totally disabled if you can't perform the material and substantial duties of your occupation due to sickness or injury. You must be under the care of another licensed physician, and you can't be engaged in any other gainful occupation.

The SBOT Office Overhead Expense Insurance Plan contains exclusions that describe conditions under which benefits are not payable. Refer to the Group Contract for complete details regarding exclusions.

Office Overhead Expense Insurance is issued by The Prudential Insurance Company of America, 751 Broad Street, Newark, NJ 07102. This coverage contains certain limitations and exclusions; please see the certificate booklet for full details. If there is a discrepancy between this document and the certificate, the terms in the certificate will prevail. Contract series 83500. COA# 1179, NAIC 68241.

This policy provides disability income insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by The New York Department of Financial Services.

North Carolina Residents: THIS IS NOT A MEDICARE SUPPLEMENT PLAN. If you are eligible for Medicare, review the Guide to Health Insurance for People with Medicare, which is available from the company.

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