

Business Risk Insurance

BUSINESS EXPENSES INSURANCE

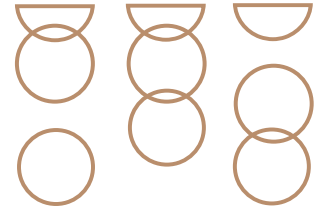
Business insurance provides coverage by reimbursing fixed business expenses that persist while you are unable to work due to illness or disability, safeguarding your financial stability.



A Suite 3.02,
7-9 Irvine Place
Bella Vista NSW 2153
P 1300 038 746
E wealth@affluens360.com.au
W www.affluens360.com.au

Disclaimer: The information in this document is of a general nature and does not take into account your own financial objectives, circumstances or needs. You should consider your own personal situation and requirements before making a decision.

Financial Advice services are provided by Affluens360 Wealth Management Pty Ltd ABN 46 152 465 462 which is a Corporate Authorised Representative (No: 410582) of Advisory Circle Pty Ltd, ABN 21 629 143 460 AFSL No. 513052



Business insurance provides coverage by reimbursing fixed business expenses that persist while you are unable to work due to illness or disability, safeguarding your financial stability.

Benefits of business expenses insurance

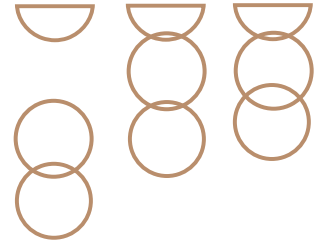
For self-employed individuals or those in small partnerships, a prolonged absence from the business due to illness or injury can significantly impact the business's ongoing viability and the financial security of your family. Business Expenses Insurance offers a monthly benefit that serves two essential purposes:

1. **Covering Business Expenses:** This benefit can be used to cover your business expenses during your absence, ensuring that your business continues to operate smoothly.
2. **Creating a Saleable Asset:** It also acts as a safeguard by creating a saleable asset if you are unable to return to work. This protection minimises the need to dip into your personal savings to sustain the business during times of illness or injury.

How it works

You can insure up to 100% of "eligible business expenses," which encompass various categories, including:

- **Premise Expenses:** Rent, cleaning, insurance, loan interest and fees for financing premises, property rates/taxes, repairs, and maintenance, as well as security costs.
- **Services Expenses:** Costs like electricity, fixed telephone and fax lines, gas, internet, mobile telephone, postage and couriers, and water and sewerage.
- **Equipment:** This category includes depreciation, motor vehicle leasing, vehicle and equipment insurance, vehicle registration, and repairs and maintenance.
- **Salaries and Related Costs:** Covers salaries of employees who do not contribute to business income, along with payroll tax and superannuation (SG) contributions for such employees.
- **Other Eligible Expenses:** Encompasses fees related to account keeping, accounting and auditing, bank fees and charges, business insurances, professional association membership fees, and regular advertising expenses.
- **To make a claim on your business expenses policy, you must be totally disabled and have satisfied the waiting period criteria for your policy. Total disability, in this context, means being unable to perform essential duties necessary to generate business earnings, not working for earnings or profit in any capacity, and being under ongoing medical supervision and treatment.**



Waiting period

A waiting period applies before benefits start being paid. The waiting period can vary but is usually between one to three months. A shorter waiting period typically results in a higher premium.

Benefit period

The maximum benefit period for Business Expenses insurance is 12 months.

Policy Ownership

The entity responsible for paying the expenses (you or your business) should own the insurance policy. Premiums are tax-deductible for the policy owner, but claim benefits received are considered assessable income. This is offset by tax deductions for the expenses paid.

Key Considerations

- Benefit payments are made monthly in arrears while you are disabled, starting one month after the waiting period ends.
- The benefit payment is limited to your respective share of the business, and only the insured's share of covered business expenses will be paid in the event of a claim.
- Benefit payments may be reduced if you are eligible to receive reimbursement for covered expenses from another source, such as other insurances.
- Benefit payments are not applicable for sickness or injury resulting from an act of war, self-inflicted acts, or uncomplicated pregnancy.
- Benefits continue until you are no longer disabled, reach your maximum benefit period, your Business Expenses insurance ends, or in the event of your death.
- Business Expenses Insurance does not replace the revenue or earnings that the insured person would have generated.
- It is essential to carefully review the Product Disclosure Statement (PDS) and policy document for your selected insurance policy and store these documents securely.

References

You may wish to refer to the following websites for further information about business insurance:

- www.moneysmart.gov.au
- www.ato.gov.au