

# What is Business Expenses insurance?



**Business Expenses insurance** pays a monthly benefit to cover fixed business costs if you suffer an illness or injury and are unable to work.

Business Expenses insurance works on a similar principle to income protection, as it pays a monthly benefit, however the purpose is significantly different.

Business Expenses insurance is designed to cover the fixed day to day costs (up to the monthly benefit) of running your business in your absence, such as the cost of a locum, rent, staff salaries, equipment expenses, loans and other business overheads like electricity and cleaning bills.

## About Business Expenses insurance

### Waiting periods

You can generally choose between a fourteen day waiting period up to a 90 day waiting period. Your benefit is payable after the waiting period. A shorter waiting period usually means a higher premium.

### But I have Business Interruption insurance...

Business Interruption insurance is different to Business Expenses insurance. Business Interruption insurance will pay you a monthly amount to cover the cost of fixed business expenses if a 'trigger' event occurs. Trigger events for Business Interruption insurance include things like fire or water damage.

Like Income Protection, Business Expenses policies are very flexible and can be tailored to suit your individual needs and circumstances.

## How much is enough?

How much Business Expenses insurance you require depends on a number of different factors. Use the Business Expenses calculator (opposite) as a guide.

Keystone Financial can assist you to accurately assess your circumstances and calculate the appropriate level of cover to protect you, your business and your family.

## Business Expenses monthly benefit calculator

Premises		
Rent or interest/fees on a loan to finance premises*	\$	p/m
Insurance of premises*	\$	p/m
Property rates/taxes*	\$	p/m
Security costs*	\$	p/m
Repairs and maintenance*	\$	p/m
<b>Total</b>	<b>Total =</b>	<b>p/m</b>

Services		
Telephone: land line* and mobile	\$	p/m
Utilities: gas, electricity, water*	\$	p/m
Cleaning and laundry*	\$	p/m
<b>Total</b>	<b>Total =</b>	<b>p/m</b>

Equipment		
Lease or financing costs (premises and car)	\$	p/m
Registration and insurance of vehicles and equipment	\$	p/m
Repairs and maintenance of equipment	\$	p/m
<b>Total</b>	<b>Total =</b>	<b>p/m</b>

Salaries and related costs		
Salaries of employees who do not generate any business income	\$	p/m
Payroll tax and Superannuation (SG) on the above salaries	\$	p/m
<b>Total</b>	<b>Total =</b>	<b>p/m</b>

Other		
Regular advertising costs	\$	p/m
Accounting and auditing fees	\$	p/m
Bank fees and interest fees	\$	p/m
Professional association dues and subscriptions	\$	p/m
<b>Total</b>	<b>Total =</b>	<b>p/m</b>

How much Business Expenses insurance is enough?		
Total premises expenses		p/m
	+	
Total services expenses		p/m
	+	
Total equipment expenses		p/m
	+	
Total salaries and related costs		p/m
	+	
Total other		p/m
	-	
Existing Business Expenses insurance		p/m
	=	
Total Business Expenses insurance shortfall		p/m

\* indicates that the item is not insurable if your office is your residential address. Mobile phone excluded.

### Important note

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