

# CATALOGUE

OF COVERAGE



**PETERSEN**<sup>®</sup>  
INTERNATIONAL UNDERWRITERS







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Petersen International Underwriters became a Coverholder at Lloyd's in 1982 and a Broker at Lloyd's in 2021. Maintaining Coverholder status grants us the authority to quote, underwrite, and issue policies while being a Broker at Lloyd's allows us to work directly with underwriters. In addition to Lloyd's, we also utilize additional specialty European carriers.

Our policies are written through the Surplus Lines market, making them complementary to the domestic insurance markets and will never be in direct conflict with "traditional" insurance programs. Our specialty is unique and hard to place Disability, Life, and Health insurance plans and we work with insurance agents, brokers, and general agencies.

Turn to Petersen International Underwriters when your traditional insurance carriers can't or won't write a risk.

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**PETERSEN<sup>®</sup>**  
INTERNATIONAL UNDERWRITERS



# High-Limit Disability

*"They consistently go above and beyond to deliver exceptional results for our clients and provide solutions for risks that the traditional markets simply cannot handle."*

**V.P. - Lockton**

## ***Never Settle For Less Than 65% Income Replacement***

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### **Disability Basics**

In the modern disability insurance market, 65% of income has been the industry standard target income replacement figure. One of the biggest shortfalls traditional disability insurance carriers have is their limitation on the size of monthly benefits. Obtaining adequate income protection for highly compensated individuals is a challenging process, and it normally takes two to three separate disability insurance policies to accomplish. With the average disability claim length lasting roughly three years, an individual will need to have a sizable savings account if they are not insured at 65% income replacement.


### **Traditional Disability Policies**

Typically the first layer of disability insurance is Group Long Term Disability (Group LTD) insurance. Group LTD is commonly issued at 60% income replacement up to a maximum of \$10,000/month. The second layer of income protection is Individual Disability Insurance (IDI). The combination of Group LTD and IDI brings the total monthly protection up to \$20,000-\$25,000, which covers incomes up to roughly \$400,000.

### **High-Limit Disability**

High-Limit Disability insurance is the final layer of income protection, and the plan boasts issue limits up to \$250,000 per month or more. Assuming a 65% income replacement level, the High-Limit Disability is able to cover \$4,600,000 of compensation. Adding in the income replacement from the underlying benefits, we are able to cover annual incomes up to \$5,000,000 or more.





*"Always get a live person when calling their office and their quick response time is second to none."*

**Area V.P. - Arthur J. Gallagher**

<b>Key Features</b>	> Non-Cancelable Term Policy > Specialty Own-Occupation Definition > Domestic and International
<b>Maximum Issue Age</b>	~75
<b>Target Market</b>	Attorneys, Brokers, Dentists, Entertainers, Executives, Physicians, Surgeons, White Collar
<b>Coverage Type</b>	> Supplemental Coverage > Primary Coverage (Domestic carrier declinations)
<b>Elimination Periods</b>	30-365 Days
<b>Benefit Periods</b>	12-120 Months, to age 65*, to age 67*, and to age 70*
<b>Percentage of Income</b>	Up to 80%***
<b>Monthly Benefit</b>	Up to \$250,000, or more**
<b>Lump Sum Benefit</b>	Up to \$100,000,000, or more**
<b>Optional Riders</b>	Residual, Cost of Living Adjustment

\*"To Age 65, 67, & 70" benefits period must be less than 120 months. For longer benefit periods, see the Accelerated Benefit Plan.

\*\*Larger benefits may be available on a custom placement basis.

\*\*\*Replacement percentages above 65% are available when the underlying benefits are taxable.

**Recently Issued Case** - An attorney who made partner at a top national law firm had \$35,000 per month of disability insurance benefits. To most insurance professionals, \$35,000 per month sounds like a large benefit, but the benefit equated to an income replacement of only 9%. With a total income of \$4,562,496, the attorney needed an additional \$212,150 per month of disability insurance benefits in order to bring the income replacement up to 65%.

**Recently Paid Claim** - With income exceeding \$1,000,000 annually, a surgeon only had 20% income replacement. He and his financial planner turned to High-Limit Disability Insurance to enhance the income protection. The insurance portfolio consisted of three policies: Group LTD of \$15,000, Individual DI of \$6,400, and High-Limit Disability of \$49,000. A few years later, the surgeon suffered an accident which resulted in permanent nerve damage that prevents him from performing surgery. Each month he collects a total of \$70,400 of disability income payments.

# GUARANTEED STANDARD ISSUE

*"They are very knowledgeable, professional, and easy to work with. Extremely fast quote response times make our lives much easier."*

**Executive Benefits Brokerage Leader  
- Mercer Executive Benefits**

## Multi-life Disability

Multi-life excess disability insurance is the fastest growing segment in the High-Limit Disability market. The ease of implementation, reduced premium cost, small minimum life requirement, and no medical underwriting make this plan a hit with insurance producers, employers, and consumers.

## Eligible Classes

Eligibility can be determined in many ways including those with income replacement of less than 65%, individuals over a certain income threshold, a specific department or occupation within a firm, under or over a target age, and many more classifications.

## Covered Compensation

Any form of earned income is considered eligible for coverage including: Salary, bonus, commission, and K-1 earnings.

## Flexibility

If a firm has at least three individuals who need income protection, chances are we will be able to offer coverage even if they are 1099 employees.

## Coverage Overview

<b>Underwriting</b>	Guaranteed-Issue
<b>Monthly Benefit</b>	75% up to \$250,000
<b>Lump Sum Benefit</b>	up to \$10,000,000
<b>Benefit Period</b>	12-120 Months
<b>Maximum Issue Age</b>	70
<b>Term of Insurance</b>	5 Years
<b>Occupation Definition</b>	Specialty Own Occupation
<b>Premium Discount</b>	up to 50%
<b>Portability</b>	Yes
<b>Participation</b>	Voluntary or Mandatory
<b>Automatic Benefit Increase</b>	Included
<b>Optional Riders</b>	<ul style="list-style-type: none"><li>• Residual</li><li>• COLA</li></ul>
<b>Top Prospects</b>	<ul style="list-style-type: none"><li>• Doctors</li><li>• Attorneys</li><li>• Executives</li><li>• Pilots</li></ul>





## Recently Issued Policies


**Law Firm** - A top national law firm with over 300 eligible partners. The firm elected to proceed with both a mandatory and voluntary component. The mandatory component provided up to \$25,000 per month in addition to the group coverage that was in-force. Of the 250 partners that maxed-out the mandatory component, 40% purchased additional coverage. The voluntary component provided up to an additional \$125,000 per month as well as an optional lump sum benefit.

**Surgeon Group** - A surgeon group identified 50 surgeons that exceeded the maximum monthly benefit cap on their disability income policies. The partnership wanted to eliminate the financial liability caused by a long-term disability. The firm elected to proceed with a High Limit solution that provided \$50,000 per month of income protection. Still, 37 surgeons were in need of more coverage so a voluntary solution was employed to allow the qualified surgeons to purchase additional coverage on a guaranteed-issue basis.

**Hospital** - A California-based hospital system was seeking new options to improve employee benefits and personnel retention. Out of more than 1,500 employees, two-thirds had sufficient income protection. However, the other third of high-income earners did not have access to necessary high-limit income protection. A supplemental Guaranteed Issue Disability plan was layered on top of existing disability benefits to cover the higher earning employees at no cost to the employer. The enrollment was successful with over 20% of the eligible physicians/employees participating in the plan.

**Airline** - Our nation is facing a shortage of professional pilots and the pilot unions are leveraging the shortage by forcing the airlines to enhance the benefit packages to keep the pilots happy. One component of the new benefits package includes a voluntary Loss of License Insurance plan. With a voluntary offering, each pilot was able to enhance their income protection by purchasing Loss of License coverage in addition to the existing employer-paid disability insurance.

# BUSINESS DISABILITY



*"Petersen International Underwriters was able to partner with us in providing executive income replacement to our client's top executives at a benefit level unmatched by other carriers in this space. The bid process, implementation and execution were seamless."*

**V.P. - Hays Companies**

## Buy Sell Disability

We often see situations where traditional disability insurance carriers limit or decline to insure business owners in their pursuit to fund a Buy Sell agreement. The most common limitation we see is that these carriers will limit the Buy Sell policies to a maximum sum insured of \$2 million dollars, regardless of the business value. A common situation that traditional carriers tend to shy away from is family owned businesses. Another major limitation they have is scaling back the benefits each year beginning at age 60. Our Buy Sell Disability plan can supplement the traditional carriers' policies to fully insure the Buy Sell amount, offset the age reductions, and be primary coverage when traditional carriers won't offer coverage due to health and other issues.

## Key Person Disability

The loss of a key employee can be devastating to a company. The key employee is normally the individual that holds the personal relationship with the firm's best clients and is the subject-matter expert. If the individual suffers a disablement, the firm will likely struggle to keep their customers happy. Key Person Disability benefits are paid to the employer and the benefits can be used at the firm's discretion. The firm might turn to a head hunter to replace the individual, pay the remaining staff overtime to cover the additional workload, or hire temporary staff to help with the basics.

Key Person Disability typically provides 150% income replacement to the firm on a monthly basis or a lump sum benefit equivalent to three times the annual income of the key person.

## Business Overhead Expense Disability

With the ever increasing costs of rent, medical equipment, and expensive build-outs, traditional Business Overhead Expense Disability plans are not keeping pace with rising monthly expenses. Our Business Overhead Expense policy layers on top of existing BOE coverage to extend the monthly benefit to a more appropriate level.





## Business Loan Indemnification Disability

Lenders will often require a borrower to collateralize a business loan with disability insurance. Lenders and insurance companies will allow the borrower to assign a portion of their individual disability insurance to cover the loan requirements. Although this fulfills the lenders requirements, it exposes the individual to possible personal financial trouble.

The best solution for collateralizing a loan is purchasing a policy specifically designed for loan indemnification. Business loans are typically short-term in nature and business loan disability insurance is tailored to mirror the terms of a loan.

Another advantage the Loan Indemnification Disability has is that it covers both principal and interest payments on a loan. Many companies cover the loan with Business Overhead Expense but BOE policies only cover interest.

## Severance Disability

When negotiating the terms of a termination, businesses will often make the mistake of offering to continue the disability insurance after the individual is terminated. The problem arises when the employee is terminated as the Group LTD carrier automatically removes the individual, leaving the employer to self-insure the benefits.

Severance Disability insurance is a specialty plan that covers the individual while they are unemployed and is normally issued with a 12 or 24 month term to mirror the terms of the severance agreement.

## Contract Guarantee Disability

Contract Guarantee Disability insurance has a wide variety of uses covering employer/employee relationship, business partnerships, even divorced couples. If a contract requires disability financial protection, chances are the contract guarantee policy can indemnify the contractual obligation.

An aerial view of a large yellow offshore oil platform in the ocean. A flare on the left is emitting a bright orange flame. The platform has multiple levels with stairs and pipes. In the background, there are white smokestacks and a red lattice tower. The sky is blue with some clouds.

# HARD TO PLACE DISABILITY

*"The products are very flexible and so far most, if not all of the challenges raised by our sales people have been answered in a positive, "we can get that done" manner."*

**President, Brokerage Wholesale Division  
Brown & Brown Insurance, Inc.**

## Medically Impaired & Substance Abuse

A traumatic medical event is often the catalyst for an individual to seek out disability insurance, but for many insurance carriers, these individuals are no longer insurable, or the applicant might be postponed until they are treatment-free for a certain period of time. The Disability Insurance Solutions plan has the flexibility to cover individuals with complex medical or substance abuse histories.

## Occupational

Occupational risks such as working on offshore oil platforms, out of your home, underground in a mine, as a merchant marine, as an artist, or as an air traffic controller can often cause traditional disability insurance carriers to automatically decline an applicant. Petersen International Underwriters can help place these high risk cases.

## Age

Another shortcoming of traditional disability insurance carriers is the limitations they place on senior aged individuals. Many will stop issuing new policies for applicants in their early 60's and few will continue coverage after the individual turns 65. Petersen International Underwriters will issue coverage up into the mid 70's.

## Financial

High net worth individuals will often have their financial strength held against them when they apply for disability insurance. Traditional underwriting is weary of the moral risk these applicants present as they do not financially need to work. These hard to place cases are a great fit for Petersen International Underwriters.

## International

International residence situations present a problem for some traditional carriers as the countries could be unstable and pose a hazard to the insured. Traditional carriers will also require insured persons to return to the USA in the event of disablement. We are able to insure persons anywhere in the world, even in active war zones, and we don't require claimants to return to the USA.



# LOSS OF LICENSE

*"Out of all the carriers we sell, Petersen is the most reliable and most customer/broker friendly."*

**Independent Insurance Agent**

## Medical Certificate

With so many lives in their hands, professional pilots are constantly being scrutinized by the FAA to make sure they are in good health and fit to fly. If the FAA determines a pilot is not fit to fly, they have the authority to suspend or revoke their medical certificate, effectively grounding the pilot.



## Unable to Fly But Not Disabled

In some situations, the pilot may not have any physical limitations yet the FAA has suspended their medical certificate/license. Even though a medical condition was the underlying cause, without having any physical limitations, the pilot is not technically disabled. In some cases, disability insurance companies have denied benefits to a grounded pilot since they are not, technically disabled.

## Loss of License

The best solution for professional pilots is Loss of License insurance. The policy structure for Loss of License was built upon a disability insurance platform, but benefits are triggered when a pilot's medical certificate is suspended or revoked by the FAA.

## Types of Eligible Pilots

- Commercial Pilots
- Corporate Pilots
- Cargo Pilots
- Aerial Applicators
- Agricultural Pilots
- Firefighter Pilots
- Air Show Pilots
- Test Pilots
- Air Ambulance Pilots
- Transport Pilots



# STARCOVER® DISABILITY

*"This Lloyd's of London Coverholder is a prestigious standout in it's class, and an invaluable business partner to the clients I serve. Petersen consistently earns my gratitude for a job well done."*

**Independent Insurance Agent**

Insuring the Hollywood elite against disablement has historically been a challenge due to the long periods of time in between paying jobs, the high net worths of actors, and the possibility of hazardous activities while filming. Today is a different story. With paparazzi and social media, the pressure of maintaining a perfect physical appearance and always being in the public's every watching eye, makes being a celebrity a relentless occupation.

In addition to the classic Hollywood persona, a new breed of celebrity is developing out of the internet thanks to YouTube. Although still in its infancy, YouTube has created celebrities who are now earning multi-million dollars from the videos they create.

The StarCover® disability insurance plan along with the unique disfigurement rider is the most comprehensive income protection policy a celebrity can obtain. With monthly disability policy limits as high as six-figures, the StarCover® disability plan has the capabilities to cover the actor just starting out all the way up to the highest paid celebrities.

## *Disfigurement Rider*

Although a disfigurement typically would not cause a disability, a disfigurement can make it impossible for an entertainer to land roles.

The Disfigurement Rider will trigger a residual disability if the entertainer is defaced, their beauty is damaged/spoiled, or they deformed due to an accident or sickness.

If the disfigurement is deemed to be permanent and uncorrectable by medical/surgical treatments and cannot be covered or disguised by cosmetics, the entertainer will be considered totally disabled.





# SPORTS DISABILITY

*"We have found the team at Petersen International Underwriters to be responsive to our requests, innovative in their coverage offerings, and focused on helping us meet the needs of our clients."*

V.P. - AON

## Draft Protection

To serious athletes, being drafted into a professional sport is the first main payoff from a lifetime of physical training. For top prospects, the draft means a multi-million dollar contract, but if they become sick or hurt, they could lose everything and go undrafted. Draft Protection insurance protects the current projected value of the player from the time they purchase the policy to the date of the draft.

## Professional Athletes

Professional athletes have various levels of guaranteed contracts depending on the sport they play and how valuable the player is to the team. The MLB has the most protection for players and contracts are typically fully guaranteed as apposed to the NFL which typically has the worst guarantees, allowing the team to waive the contract at the end of any season. Insurance opportunities exist in both situations. Fully guaranteed contracts are normally insured at the team level and contracts without guarantees are insured by the player.

## The Links

Professional golfers earn their compensation from product endorsements and prize money they earn from entering/ winning tour events. If a sickness or accident prevents the athlete from entering tour events, they will be unable to make a living. The Links disability insurance plan insures professional golfers against the perils of a disablement.

## RacerCover

The RacerCover plan covers all forms of professional motorsports including motocross, open wheel, and stockcar racing.

## Professional Jockeys

Earning 10% of the race winnings is normally how Professional jockeys are compensated. If the jockey is unable to race, they are not earning an income. The Professional Jockey Disability insurance plan pays a monthly benefit with elimination periods as short as 90 days.

# LIFE & FAILURE TO SURVIVE

*"They deliver unique solutions to a complicated market. Professional, reliable, and efficient service. Highly recommend."*

**International Benefits Manager  
- ITG Worldwide**



## High Limit Accident

Standard accidental death coverage through domestic carriers isn't sufficient. AD&D insurance from Petersen International is flexible, requires minimal underwriting and can be purchased and bound in a matter of hours, allowing for benefits from \$25,000 to \$100,000,000 per person. In addition to the standard death benefit, the product platform offers options of dismemberment benefits as well as permanent disability payouts. And the policies can be structured on individual or group chassis.

## Key Person Failure to Survive

A great alternative to term insurance when a business needs to cover the life of a hard to place key person. Key Person Failure to Survive can be underwritten in just a few days and has a simple one-page application. Common uses: Individuals with substance abuse histories, individuals automatically declined due to medication use (Suboxone), medical postponements and declinations, and individuals in the cannabis industry.

## Buy Sell Failure to Survive

Being able to fund a Buy/Sell agreement is nearly as important as the agreement itself. Without proper Buy/Sell insurance, a partnership could face major financial hardship with the loss of an owner. The Buy/Sell Failure to Survive plan provides a term death benefit when life insurance is not able or prohibitive. With limits up to \$50,000,000, the Buy/Sell Failure to Survive is a great short-term solution until a longer-term alternative can be obtained.

## Business Loan Failure to Survive

The advantages of Business Loan Failure to Survive is the rapid underwriting time and the underwriting flexibility. Lenders require that a borrower be covered in the event of death. With the Business Loan Failure to Survive plan, a policy can be issued in less than a week allowing a loan to fund quickly even when the borrower has health concerns.





# HEALTH INSURANCE

*"We constantly receive positive feedback from our customers and agents about the prompt and professional service they receive with their policies and claims."*

**V.P. - Insurance Services of America**

## USAWay Major Medical

An international travel medical plan for US citizens and US residents while they travel outside the USA. Most domestic health insurance plans offer very limited benefits outside the USA. The USAway Major Medical is designed to supplement existing domestic health insurance benefits and even has benefits for medical evacuation, trip cancellation, accidental death, lost luggage and repatriation of remains. Many countries are now requiring travel medical insurance in order to visit their country and the USAway Major Medical fulfills these required benefits.

## The Bridge Plan

A unique plan designed for senior-aged (60-95) individuals waiting to be eligible for Medicare Part A and/or Part B. The US Medicare system requires a minimum of five years of legal residency before new US residents are eligible to pay a monthly premium to purchase Medicare Part A and B. The Bridge Plan can also be used for US Citizens who missed the initial enrollment and had their Medicare Part B benefits delayed to July 1<sup>st</sup>.

## International Major Medical

The International Major Medical plan is designed for foreign nationals traveling to the USA and residing in the USA. The USA will often require health insurance prior to letting an individual come to this country. The International Major Medical plan has the benefits to fulfill the governmental requirements and the coverage to protect the insured from the most expensive healthcare in the world.

## Accident Only Major Medical

A specialty medical plan designed to cover expenses as a result of accidents. This plan is often used for individuals participating in dangerous/special events that need supplemental coverage.

## Contact Us



**PETERSEN**<sup>®</sup>  
INTERNATIONAL UNDERWRITERS

23929 Valencia Blvd. Second Floor, Valencia CA 91355

(800) 345-8816 ♦ [www.piu.org](http://www.piu.org) ♦ [piu@piu.org](mailto:piu@piu.org)

*When Traditional Carriers Can't or Won't*

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