

Introducing Wage Secure Supplemental Employment Insurance



Wage Secure, LLC
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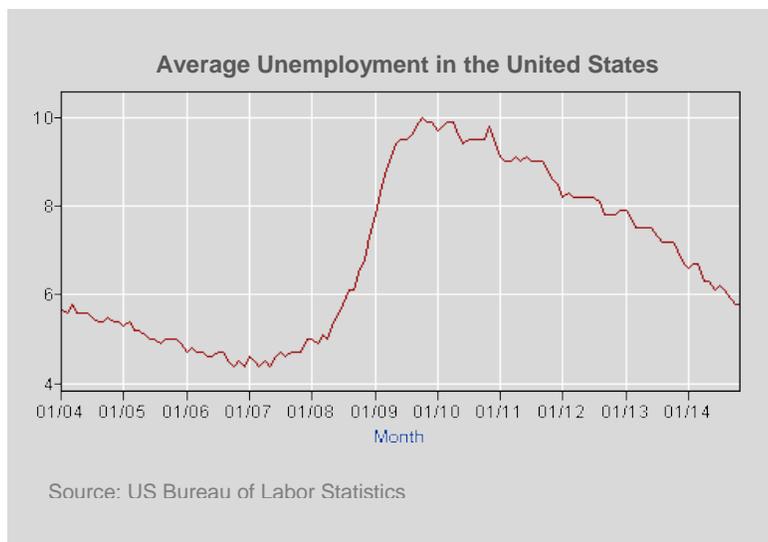
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Wage Secure is a unique, patent pending insurance product that responds to a significant risk for employees, a real financial need, and an employer's desire to reduce expenses while create benefit strategies that attract and retain the best talent.

The Unemployment Benefit Scenario

The 21st Century workforce is changing rapidly. For organizations to succeed, they need to be nimble and adaptable in both their business strategies and their workforce. As a result, job security is less "secure" than ever. Whether it is job restructuring, reductions in force, or job eliminations; corporations are turning over their employees at a high rate.

Even with a slowly improving economy, the unemployment rate is still higher than the historical average. From 1948 through 2014, the average US unemployment rate has been 5.8 percent. As of year-end 2013, that rate is 7.4 percent.¹



Consider:

- More than 55% of workers identified job uncertainty as their most pressing financial issue.²
- 50 percent of Americans couldn't meet expenses after just one month without a paycheck.³
- From 2011-2013, 4.3 Million employees were displaced from jobs they had held for three years or more.⁴

Not surprisingly, many employees fear unexpected job loss and the income that it provides. And if most workers were to lose their jobs involuntarily, they would have difficulty keeping pace with their bills and expenses. Most employees have access to a limited severance benefit and unemployment insurance benefits (UI).

The National average for UI is about \$307/week, but it's also capped, so the percentage of replacement wages for higher wage workers will be smaller than those for lower wage workers.⁵

Compounding the issue, many corporations are reducing their severance packages due to expense pressure and reserving benefits to employees remaining onboard.

**State
Unemployment
benefits average
\$307/week. Many
families cannot
afford to live on this.**

¹ US Bureau of Labor Statistics

² MetLife Study of Employee Benefit Trends, 2013

³ LIFE Disability Survey, conducted by Kelton Research, April 2012

⁴ Bureau of Labor Statistics, Worker Displacement Release, August 2014

⁵ Center on Budget and Policy Priorities, Introduction to Unemployment Insurance, by Chad Stone and William Chen, July 2014

How Will Employees And Their Families Fill Their Income Gap?

Introducing **Wage Secure**, an innovative new insurance offering designed to help meet the needs of middle- and upper-income employees who have become involuntarily unemployed.

Wage Secure supplements approved state UI benefits to provide up to 50 percent of the employee's previous income for salaries up to a maximum covered annual wage of \$250,000.

For employees who earn significantly more than the average state wage, unemployment benefits represent a much smaller percent of wages, so **Wage Secure** helps make up that difference. The higher the insured's income, the greater percentage of wage replacement that will come from **Wage Secure**, as this graph illustrates:

Employers can make **Wage Secure** available to their full-time active employees earning more than \$50,000 a year in three ways:

- Employer paid
- Employer-subsidized
- Employee-paid (voluntary payroll deduction)



Wage Secure benefits begin after a two week elimination period and continue to pay a wage replacement percentage for up to 24 weeks, while the covered employee is receiving their state unemployment benefit. If an unexpected involuntary unemployment event occurs during the initial 6-month benefit waiting period, premium will be refunded.

Here are three examples of Wage Secure in Action:

Annual Income	Weekly Income	NY UI Weekly Max*	Replacement %	WageSecure Weekly Benefit**	Total Weekly	Replacement %
Employee 1: \$75,000	\$1,442	\$420	29.1%	\$301	\$721	50%
Employee 2: \$100,000	\$1,923	\$420	21.8%	\$542	\$962	50%
Employee 3: \$250,000	\$4,807	\$420	8.7%	\$1,985	\$2,405	50%

* - NY State UI Benefit max as of 10/5/14

This is Your Opportunity to Offer Employers New and Valuable Insurance Product

With the continued uncertainty in the economic recovery and employee savings rates at all-time lows, now is the best time for you to offer this new product. Employers offering Wage Secure as a partial or full severance replacement can see reductions in FICA taxes, payroll costs, and severance expenses.

This unique group insurance policy, which is not available elsewhere, can be sold to the same customers who value income and asset protection products such as life and disability insurance. The program may also have value to employers seeking to add Wage Secure into part of a modified severance program.

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Wage Secure
PEACE OF MIND INSURANCE

Wage Secure is a simple product to market, communicate, enroll and administer. Our team at Wage Secure LLC is the end-to-end managing general underwriter for this program.

Wage Secure LLC is a private company created by Blackmoor General Agency and AssureGroup. Blackmoor is a wholly owned subsidiary of Signature Consulting Services (SCS). Their expertise is managing unique niche insurance products and services. AssureGroup holds the patent for the supplemental unemployment insurance program offered here. The policies are backed by the exceptional financial strength and solid claims-paying ability of the AXIS Insurance Companies, rated "A+" (Strong) with a Stable Outlook by Standard & Poor's and "A+" (Superior) XV with a Stable Outlook by A.M. Best.

U.S. insurance coverage is underwritten by AXIS Insurance Company. Coverage is subject to exclusions and limitations, and may not be available in all U.S. states and jurisdictions. Product availability and plan design features, including eligibility requirements, descriptions of benefits, exclusions or limitations may vary depending on state laws.