

# Protecting Your Income

with Personal Paycheck Power® Disability Income Insurance





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# Disability Income Insurance Protects Your Paycheck

Your income is one of your most valuable assets. It allows you to maintain your standard of living, pay bills, save for the future and enjoy life's simple pleasures. In short, your income provides the foundation for life as you know it.

Your everyday life and future plans could quickly be affected should you experience a total disability due to illness or injury and are unable to work. Disability income insurance (DI) can help. It provides a monthly benefit you can use to pay your basic expenses in the event of a Total Disability.

## What Does Total Disability Mean?

Total Disability\* for any one period of disability starting while this policy is in force means:

1. During the first 24 months, your inability to perform the substantial and material duties of your occupation and you are not engaged in any other occupation for wage or profit.
2. After 24 months, your inability to perform the substantial and material duties of any occupation for wage or profit in which you might expect to be engaged, with due regard to your education, training, experience and you are not engaged in any occupation for wage or profit.

What would happen if you became sick or hurt and Totally Disabled?

What if you couldn't work to earn your income?

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*\*Definition of Total Disability differs in LA and UT. See your policy for complete terms of coverage.*

# Is Your Income Protected?

An income-interrupting disability can be a serious event that requires careful advance planning. Many assume there is already a fallback plan to protect their income, but discover that not to be the case – oftentimes when it's too late.



## Common examples people “think” would cover their essential living expenses:

### Personal Savings

Nearly 78% of Americans would experience financial difficulties if their paychecks were delayed for a week.<sup>1</sup>

How long could your personal savings cover your living expenses before you would feel a financial pinch?

### Government

Social Security paid an average monthly disability benefit of about \$1,487 to all disabled workers as of August 2023.<sup>2</sup> This is barely enough to keep a beneficiary above the 2022 poverty level (\$14,580 annually).<sup>3</sup>

Workers' compensation covers only injuries that occur in the workplace.

If you fell into the Social Security national average and were injured off-the-job, could you live on that monthly amount?

### Spouse's or Partner's Income

Many families rely on two incomes to cover monthly expenses.

Could you get by with just one income?

### Employer-provided Disability Insurance

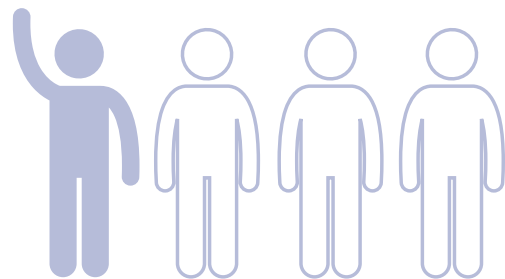
Employer-provided group DI coverage that is paid for by your employer may not have all the benefits you want. Additionally, this type of policy is typically not portable – meaning you cannot take the policy with you if you leave that employer.

Did you know individual coverage can be used to supplement the employer's group coverage and you can keep it if you leave the employer?

## Make sure you're covered. Disability is more common than you think!

These options may not provide enough income to cover all your monthly needs. However, adding individual DI to your financial plan can give you peace of mind knowing you have coverage in place for basic living expenses.

About **1 in 4** of today's 20-year-olds will become disabled before reaching age 67.<sup>4</sup>



<sup>1</sup>“Getting Paid in America.” PayrollOrg Survey, 2023.

<sup>2</sup>Social Security Administration, Monthly Statistical Snapshot, August 2023.

<sup>3</sup>U.S. Department of Health & Human Services, Office of the Assistant Secretary for Planning and Evaluation, 2023 Poverty Guidelines.

<sup>4</sup>Social Security Administration, Fact Sheet, 2023.

# Answering these 3 questions can help your agent design the right DI plan for you:

## 1 How much do you need to cover your basic monthly expenses?

Disability benefits are designed to help replace a portion of the income you would earn while working. The benefit amount is determined individually subject to underwriting at the time of your application for insurance and policy issue.

## 2 How long do you need DI benefits to last?

That's your benefit period.

## 3 How long can you go without a paycheck?

That's your elimination period.\*

## Common benefits for an Illinois Mutual policyowner:\*

\$1,500/month  
in benefits

2 years of  
coverage

30-day  
elimination  
period

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\*May vary by state. For illustration purposes only.

# Common DI Terms

You may hear these terms when discussing what DI plan will fit your needs. If you have any questions, don't hesitate to ask your agent. He or she is there to help you make informed decisions.

## 1 Benefit Amount:

The amount you receive from the insurance company each month. The benefit payment helps you cover your basic monthly expenses. Disability benefits are designed to help replace a portion of the income you would earn while working and can pay up to 70% of your pre-disability earnings at time of purchase. However, benefit amounts vary based on income level, benefit period and selections, and existing coverage(s).

### Simple Solution:

Determine your basic monthly expenses by adding up your M.U.G.<sup>®</sup> expenses, that is your mortgage, utilities and groceries.

Mortgage + Utilities + Groceries =  
The M.U.G.<sup>®</sup> Plan

## 2 Benefit Period:

The length of time you will receive payments from your insurance company, which will vary based on your policy. Some benefit periods offered by Illinois Mutual are six months, one year, two years, five years, ten years or to age 67.

### Simple Solution:

Consider how long you may need DI benefits to last and choose the benefit period that best fits those needs. Some people find two years of coverage gives them the time they need to evaluate their options.

## 3 Elimination Period:

An elimination period is the number of continuous days you must be Totally or Partially Disabled before your disability income insurance benefits begin to accrue or become payable. Elimination periods are offered at various lengths depending on your needs and typically range from 30 to 180 days.

### Simple Solution:

Think about your monthly expenses. How long could you pay for them if you didn't have a paycheck?

1 month? 3 months? 6 months?



# How DI Can Work for You

## Which Job Would You Choose... Job A or Job B?



Jake, 45, has the opportunity to choose between two jobs with slightly different monthly incomes.

The only difference between these two jobs is \$50.48\* per month, which is the premium amount Jake would pay for Personal Paycheck Power® DI from Illinois Mutual for a \$2,000 per month benefit for up to 2 years with a 30-day elimination period. Without DI coverage, Jake likely would have to rely on savings if he were to become Totally Disabled\*\*. With DI coverage, Jake has a plan in place to help protect his family should the unexpected happen.

*\*For illustration purposes only. Actual benefits and premium rates are determined individually and are subject to underwriting results. Benefit amounts vary based on income level, benefit period and selections, and existing coverage(s). Age, health, occupation, and gender can impact premium rates. Availability of some features and options may vary by state, benefit period and occupation class. Example above based on male, occupation class 5, IL rates, non-tobacco user, no health concerns, standard height and weight.*

*\*\*See policy for complete definition of Total Disability.*



# Personal Paycheck Power<sup>®</sup>

## DI Designed for You in the Base Plan

### Basic Policy Features Include:

- Guaranteed renewable to age 67, which means as long as premiums are paid, the policy cannot be cancelled
- Base benefits received in addition to Social Security or workers' compensation
- 24-hour coverage, 7 days a week, on or off the job
- Coverage if you are Totally Disabled from your own occupation for a specified period of time (generally two years but may be shorter\*) and then Totally Disabled from any occupation

*\*Definition varies in LA and UT.*

## Customize Your DI with Riders

Personal Paycheck Power<sup>®</sup> also gives you the flexibility to personalize your plan. Your agent can help you tailor your policy to meet your specific needs. For example, Illinois Mutual offers several options that allow you to select additional protection. These options are available at an additional cost. Below are two of our most popular options.

- **Return of Premium (ROP) Rider**  
Provides DI coverage if you need it, and money back if you don't. From ages 65 to 67, you are eligible to receive a refund of 100% of policy premiums paid, less any benefits paid or pending. Beginning with the fifth policy year, you are eligible to receive a portion of the premiums paid, less any benefits received. The policy ends after the return of premium is paid and may not be reinstated. See page 14 to learn more.
- **Guaranteed Insurability Option (GIO) Rider**  
As your income increases and your DI needs change, the GIO Rider allows you to get the DI coverage you need now with the option to purchase additional coverage in the future without evidence of good health. You can purchase additional coverage up to 5 times, every 2 years prior to age 55 after the policy has been in force for two years. A purchase may be accelerated in the event of a life change (marriage, death of a spouse, divorce or adoption of a child). Each option is subject to earnings qualifications. See page 12 to learn more.



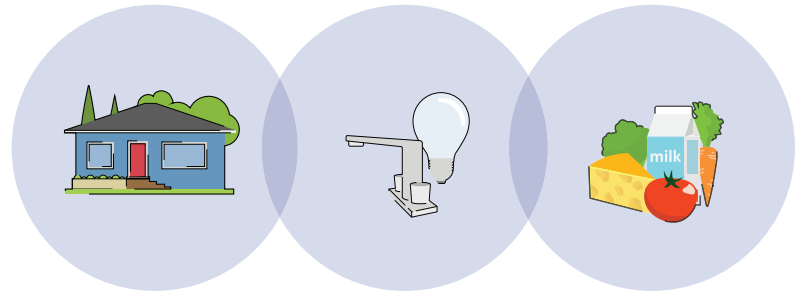
# Think M.U.G.<sup>®</sup> to Help Design a DI Plan to Fit Your Needs



# The M.U.G.<sup>®</sup> Plan

During a time of financial stress, as in the event of a Total Disability, some expenses can be reduced or eliminated. However, M.U.G.<sup>®</sup> expenses (mortgage, utilities, groceries) typically cannot. To get started with designing a DI plan that is right for your needs, add up your essential M.U.G.<sup>®</sup> expenses.

The M.U.G.<sup>®</sup> Plan can help ease the worry about how you would keep the roof over your head, keep your utilities running and feed your family.



Mortgage + Utilities + Groceries

## THE M.U.G.<sup>®</sup> PLAN

# How Far Does Your Income Have to Go?

Your income has a big job to do. In addition to your M.U.G.<sup>®</sup> expenses, take a minute to determine all your monthly expenses, too. This can help you put things into perspective for your maximum coverage needs.\*

Mortgage/Rent	\$ _____
Utilities (gas, electric, phone, internet, cable)	_____
Groceries	_____
Car Payments	_____
Other Insurance (auto, home, health, life)	_____
Childcare/Education	_____
Credit Cards	_____
Spending Money	_____
<b>Monthly Total</b>	<b>\$ _____</b>

*\*Illinois Mutual's DI will only replace a portion of your income. Benefit amounts vary based on income level, benefit period and selections, and existing coverage(s).*

# Disability Income Insurance with the Guaranteed Insurability Option (GIO)



# GIO Offers More DI to Meet Your Changing Needs

## Meet Sarah\*

Sarah, 40, is a single mom. She owns a home and has two children who depend on her for everything. It can be a challenge to keep a household running on her own, but Sarah works hard to provide what her family needs. She knows the importance of a paycheck and that's why she is making the smart decision to help ensure her income is protected with DI.

Sarah uses the M.U.G.® Plan to determine the right amount of monthly benefit for her current needs. By adding up the amount she now spends monthly on her mortgage, utilities and groceries, Sarah found she would need \$1,000 per month in DI benefits to help her family cover those basic monthly expenses.

Sarah meets with her agent to discuss her options. Her agent customizes a Personal Paycheck Power® Plan of \$1,000 per month for up to 2 years with a 30-day elimination period. He also recommends the Guaranteed Insurability Option (GIO) Rider\*\* as a smart choice for Sarah.

With the GIO Rider, if Sarah experiences a qualifying life change or an increase in income, she can increase her DI coverage. The GIO option allows Sarah the flexibility to purchase an additional \$600 in coverage every two years after the policy effective date, prior to age 55. And, she can make up to 5 purchase options total. This means she could potentially increase her benefits by \$3,000.

In short, the GIO gives Sarah opportunities to increase coverage in the future to accommodate her changing income needs without having to provide medical information.

SELECTION	MONTHLY PREMIUM
Total Monthly Benefit (\$1,000/month)	\$33.16
Guaranteed Insurability Option (\$600)	\$ 1.99
<b>Total Monthly Premium</b>	<b>\$35.15</b>

*A qualifying life change is defined as: marriage, death of a spouse, divorce, birth or adoption of a child.*

*Purchases of additional coverage may be accelerated after a qualifying life change. The next option to purchase is then two years after the life change. Requests to accelerate must be made within three months of the life change.*

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*\*\*Future Purchase Option Rider in FL*

# Disability Income Insurance with the Return of Premium Rider



# ROP Offers Coverage if You Need It, Cash Back if You Don't

Your ability to earn an income is one of your most valuable assets – that's why you should help protect it with DI. But, what if you never need to use your DI policy? There's a simple solution – the Return of Premium Rider.\*

Mike\*\*, a 35-year-old non-tobacco user, is interested in a DI policy, but is reluctant to pay for something he may not use. He's looking for a 90-day elimination period with a To Age 67 benefit period. Here's how the ROP Rider can work for him:

SELECTION	MONTHLY PREMIUM	MONTHLY PREMIUM
Total Monthly Benefit (\$2,000/month)	\$36.31	\$36.31
Return of Premium Rider	\$ 0.00	\$18.15
<b>Total Premium</b>	<b>\$36.31</b>	<b>\$54.46</b>

Illinois Mutual has returned over **\$194 MILLION** to policyowners with the Return of Premium Rider since 1972!

(As of 6/30/23)

Without the Return of Premium Rider, Mike would pay a monthly premium of \$36.31 for DI coverage, but would receive no Return of Premium upon termination of the policy or at the Renewal Age.

The difference in these two options is just \$18.15 per month.

TOTAL RETURN OF PREMIUM TO MIKE AT AGE 67 (ASSUMING NO CLAIMS PAID)	
Without Return of Premium Rider	With Return of Premium Rider
<b>\$0.00</b>	<b>\$20,912.64</b>

Paying an additional \$18.15 per month for the Return of Premium Rider gives Mike the opportunity to receive a Return of Premium of \$20,912.64 at age 67. If Mike received benefits under his policy over the years, the Return of Premium amount would be less.

\*Return of Premium Rider not available in CT or MA.

\*\*For illustration purposes only. Actual benefits and premium rates are determined individually and are subject to underwriting results. Benefit amounts vary based on income level, benefit period and selections, and existing coverage(s). Age, health, occupation, and gender can impact premium rates. Availability of some features and options may vary by state, benefit period and occupation class. Example above based on male, occupation class 5, IL rates, non-tobacco user, no health concerns, standard height and weight.

# Contact Your Agent or Visit Us Online!

DI is an important part of a comprehensive financial plan. Your Illinois Mutual agent can help you build the right DI plan for your specific needs and budget. Take the next step today.

For more information, visit:  
[www.IllinoisMutual.com/DI](http://www.IllinoisMutual.com/DI)



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*Policy Form DI105, Disability Income Policy; Policy Form 9266, Return of Premium Rider; Policy Form 9267, Guaranteed Insurability Option Rider*

*Not available in AK, CA, DC, HI, NM or NY.*

*These policies have exclusions, limitations and terms under which the policies and options may be continued in force or discontinued. Contact your agent or Illinois Mutual for more information.*

*Please note product availability and features may vary by state. Policy Language controls. Refer to the policy for details, limitations, exceptions and reductions.*

**Pre-Existing Condition Limitation**

*During the first 2 years after the Date of Issue, this Policy will not pay benefits: (1) for any conditions diagnosed or treated by a physician within 2 years prior to the Date of Issue; or (2) for any condition which caused symptoms within 2 years prior to the Date of Issue that would have caused an ordinarily prudent person to seek medical diagnosis, care or treatment. One year in MN, MT, NC, ND and VA; nine months in NH.*

**Exceptions and Reductions**

*We will not pay benefits for disability that results (a) from normal pregnancy or childbirth (not excluded in KS); (b) from intentionally self-inflicted injury or sickness; (c) from your commission or attempted commission of a felony; (d) from war, declared or not; (e) from any military service, except during active duty for training of less than 60 days. The pro rata premium will be refunded for a period during which you are not covered for such military reason; or (f) we will not pay benefits while you are incarcerated in any penal or correctional institution (not applicable in MN, ND, NJ or VA.).*

**Limited Benefits for Mental or Nervous Disorders, Alcoholism or Drug Abuse**

*The total amount payable under the policy for total disability caused or contributed to by a mental or nervous disorder or alcoholism or drug abuse shall not exceed a cumulative lifetime maximum of 24 months. Not applicable in VT.*

**Limited Benefits for Foreign Travel**

*If Totally Disabled due to an injury or sickness sustained or continued while outside of the United States, Canada or Mexico, the Maximum Total Disability Benefit Period will be limited to 90 days. After the 90 day period, benefits will not be paid until returning to the United States, Canada or Mexico. Any benefits paid will be deducted from the remaining period of disability if you are still Totally Disabled upon your return to the United States, Canada or Mexico.*