

Personal Paycheck Power® .....

# Giving You the Power

..... to Help Protect Your Income



## Table of Contents

Help Protect Your Income .....	3
Are You Protected? .....	4
Common DI Terms .....	5
How DI Can Work for You .....	6
Personal Paycheck Power® .....	7
Building a Plan to Fit Your Needs .....	8
Personal Paycheck Power® in Action .....	9

## Help Protect Your Income .....

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.

Have you considered what would happen if you became sick or hurt and Totally Disabled? What if you couldn't work to earn your income?

Your everyday life and future plans could quickly be affected. Disability income insurance (DI) can help. It provides a monthly benefit to help you pay your basic expenses should you become Totally Disabled and unable to work.

You work hard for what you have. Help protect your income – and with it your way of life – with DI.

### What does Total Disability mean?

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

- (a) 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.
- (b) 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.

**A Total Disability can be a serious event that needs some advance planning.**

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



## Think Your Income is Protected?

Many people assume there is already a fallback plan to protect their income.

Here are some common ways people think they are covered:

- **Savings**

However 36% of Americans usually live paycheck to paycheck.<sup>1</sup>

**Would your savings be enough to cover everyday expenses for an extended period of time?**

- **Government**

However Social Security may not cover all your expenses if you become disabled. In fact, from 2003 through 2012, Social Security disability claim denials averaged 59%.<sup>2</sup> And, the average monthly benefit for disabled workers is \$1,192.<sup>3</sup>

**Could your family live on that monthly amount?**

- **Spouse's income**

However many families rely on two incomes to cover monthly expenses.

**Could you get by with just one income?**

- **Employer-paid long-term disability insurance**

However, this type of group coverage often has limited benefits and is not available to you after leaving the 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?**

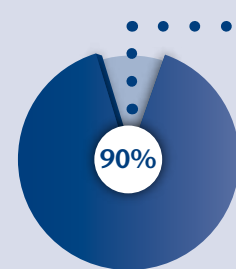
These options may not provide enough income to cover all your monthly needs. Adding DI to your plan can give you peace of mind knowing you have enough to help cover your needs.

<sup>1</sup>CareerBuilder Survey, 2014

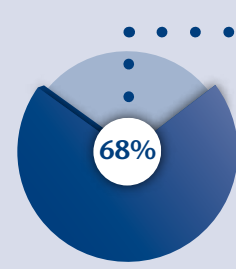
<sup>2</sup>Social Security Administration, Annual Statistical Report on the Social Security Disability Insurance Program, 2013

<sup>3</sup>Social Security Administration, Monthly Statistical Snapshot, October 2014

### Make sure you're covered.



**90%** of long-term disability claims are due to illness. In addition, most long-term disability claims are not work-related, which means they are not covered by workers' compensation.<sup>4</sup>



**68%** of the private sector workforce has no long-term disability income insurance.<sup>5</sup>

<sup>4</sup>Council for Disability Awareness, Long-Term Disability Claims Review, 2014

<sup>5</sup>Social Security Administration, Fact Sheet, April 2, 2014

## Common DI Terms

Here are some common terms you may hear when discussing what 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.

### 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 usually pay 40% to 65% of your pre-disability earnings at time of purchase.

**Simple Solution:** Use the M.U.G.® Plan to determine your basic monthly expenses. Mortgage + Utilities + Groceries = The M.U.G.® Plan

### Benefit Period:

The length of time you will receive payments from your insurance company, which will vary based on your policy. Some benefit periods 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.

### 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 you could pay for them if you didn't have a paycheck? 1 month? 3 months? 6 months?

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

- 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 selections a typical middle American might need are\*:

- \$1,500/month in benefits
- 2 years of coverage
- 30-day elimination period

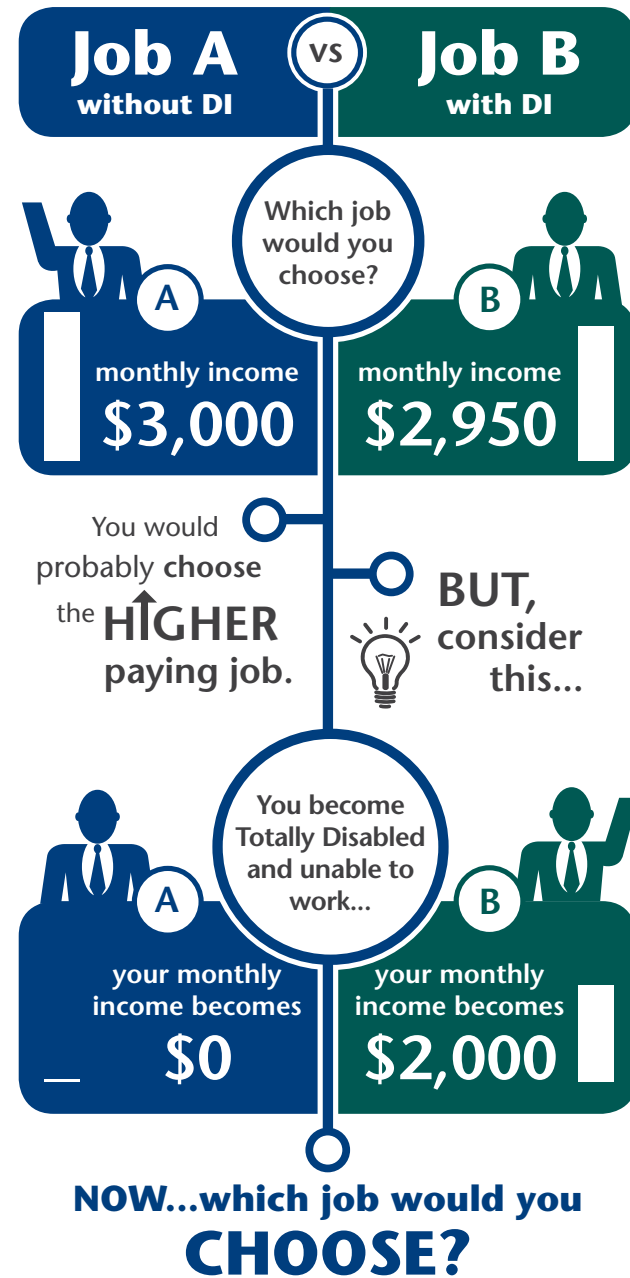


\*May vary by state. For illustration purposes only.

## ••• How DI can Work for You

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 a Personal Paycheck Power® Plan of \$2,000 per month for up to 2 years with a 30-day elimination period. Without DI coverage, Jake likely has no monthly income. With DI coverage, Jake has a plan in place to help his family stay on the right financial track should the unexpected happen.



*\*For illustration purposes only. Actual benefits and premiums rates are determined individually and are subject to underwriting results. Age, health, occupation, and gender can impact premium rates. Availability of some features and options may vary by state, benefit period and occupation class. Sample illustrations based off of male, occupation class 5, IL rates, non-tobacco user, no health concerns, standard height and weight. Premiums may vary depending on the coverage you select.*

## Personal Paycheck Power®

### DI Designed for You

Personal Paycheck Power® was designed with many key features built right into the base plan.

#### Basic Policy Features Include:

- Guaranteed renewable to age 67, which means as long as premiums are paid, the policy cannot be canceled
- Receive base benefits 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.*

### Personalize Your Policy

Personal Paycheck Power® 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 Rider**  
Provides DI coverage if you need it, your money back if you don't. From ages 65 to 67, you are eligible to receive a refund of 100% of the money you spent on policy premiums less any benefits already paid when your policy ends. Any benefits that may accrue under the policy after the Return of Premium amount has been paid will be payable only to the extent such benefits exceed the Return of Premium amount.
- **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 after the policy effective date, prior to age 55.



## Building a Plan to Fit Your Needs

### How Far Does Your Income Have to Go?

Your income has a big job to do. Take a minute to determine the total monthly expenses your income has to cover.

Mortgage/Rent \$ \_\_\_\_\_

Utilities \_\_\_\_\_  
*(gas, electric, phone, internet, cable)*

Groceries \_\_\_\_\_

Car Payments \_\_\_\_\_

Other Insurance \_\_\_\_\_  
*(auto, home, health, life)*

Childcare/Education \_\_\_\_\_

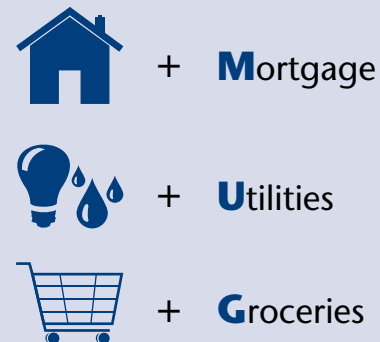
Credit Cards \_\_\_\_\_

Spending Money \_\_\_\_\_

Monthly Total \$ \_\_\_\_\_

### The M.U.G.® Plan

If you're looking to help cover just your most basic monthly needs, we have a plan for that.



### THE M.U.G.® PLAN

The M.U.G.® Plan can help ease the worry about how you would pay your mortgage, feed your family and keep your utilities running.

*Please note, disability income insurance from Illinois Mutual will only replace up to 60% of your income.*

## Personal Paycheck Power® in Action . . . . .

### The Flexibility of the Guaranteed Insurability Option

#### 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 increased protection and added income security if she should need it in the future without needing 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>

*\*For illustration purposes only. Actual benefits and premiums rates are determined individually and are subject to underwriting results. Age, health, occupation, and gender can impact premium rates. Options have an additional cost. Availability of some features and options may vary by state, benefit period and occupation class. Sample illustrations based off of occupation class 3, IL rates, non-tobacco user, no health concerns, standard height and weight.*



### What is a qualifying life change?

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.



HOW FAR DOES YOUR INCOME HAVE TO GO?



## ••• Personal Paycheck Power® in Action

### Return of Premium Advantage

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 Return of Premium 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>

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 (assuming no claim(s) paid) at Age 67	
Without Return of Premium Rider	With Return of Premium Rider
\$0.00	\$20,912.64

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.

Since 1972, Illinois Mutual has returned more than \$89 million in premiums to return of premium DI policyowners!\*\*

*\*For illustration purposes only. Actual benefits and premiums rates are determined individually and are subject to underwriting results. Age, health, occupation, and gender can impact premium rates. Options have an additional cost. Availability of some features and options may vary by state, benefit period and occupation class. Sample illustrations based off of occupation class 5, IL rates, non-tobacco user, no health concerns, standard height and weight.*

*\*\*As of 7/31/2014*



## Contact Your Agent to Take the Next Step!

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

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



### STRENGTH

Our strong capital position is backed by \$1.37 billion in assets, a surplus of \$195.3 million, and a surplus to asset ratio of 14.3%.

As of 9/30/14

### STABILITY

We have been in business for over 100 years.



### VALUES

We are a family-operated business for five generations.

### SUPPORT

We are a mutual insurance company that focuses on the interests of our policyowners. We conduct business with a long-term strategic view.



[www.IllinoisMutual.com](http://www.IllinoisMutual.com)



*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 or NY. Coverage and availability may vary in other states.*

*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; no pre-existing time frame applicable in NM.*

**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.*

**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.*