

Disability Income Insurance –

A Tale of Two Incomes

It's easy to get caught up in focusing on how you can make more money in your career. But what would happen to that income if you became too sick or hurt to work? Disability Income (DI) insurance may be the solution.

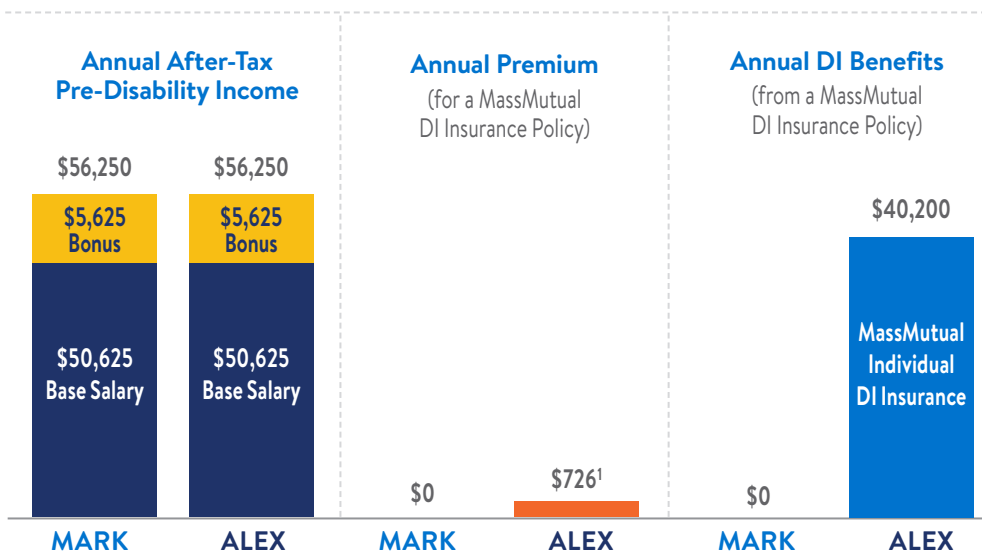
Individual disability income insurance is essential, personal protection that can help replace a portion of your income – including bonuses and commissions – should you become disabled for an extended period of time.

To demonstrate the value of owning a MassMutual® DI insurance policy, let's look at a hypothetical example of two professionals. **Mark** and **Alex** are both age 30, each make a total of \$56,250 annually (after-tax) and neither have Group Long Term Disability (GLTD) coverage through their employer.

Alex, however, has chosen to use \$726 (less than 2% of his \$50,625 after-tax base salary) to purchase an individual DI insurance policy with a monthly total disability benefit of over \$3,000.

Now let's see how each income is affected if **Mark** and **Alex** were to become too sick or hurt to work.

A TALE OF TWO INCOMES



MARK

As the chart illustrates, Mark does not own a MassMutual DI insurance policy and he would not receive any benefits if he were to become disabled.

ALEX

Conversely, upon becoming totally disabled and satisfying the 90-day waiting period, Alex was able to receive \$3,350 monthly. Over a 12-month period this was over \$40,000.

Assumptions: 25% tax bracket, male age 30, Radius Choice 4A occ class, 90-day waiting period, benefit period to age 65, \$3,350 monthly total disability benefit. Policy provides coverage for a portion of both salary and bonus. Alex is totally disabled during the waiting period and remains totally disabled.

¹ For illustrative purposes only. Premium rates vary.

The sample rate shown is for a male. DI insurance costs for a woman using the same parameters are **\$1,136**.

FOR USE IN NEW YORK ONLY.

Renewability, Cancellability and Termination: This policy is Non-Cancellable until the Policy Anniversary on or next following the Insured's 65th birthday. During that time, we cannot change the premiums or cancel the Policy unless requested by you, and, as long as premiums are paid on time, we will continue coverage. Thereafter, the policy is Conditionally Renewable until the policy anniversary on or next following the Insured's 75th birthday as long as the Insured is Actively at Work and is not Disabled. We can change the premiums while this policy is Conditionally Renewable.

The Policy also sets forth certain limits.

Waiting Period: The Policy does contain a Waiting Period. This is the period immediately following the start of Disability during which benefits do not accrue.

Medical Examination: A medical examination is required to apply for the Policy.

Exceptions, Reductions and Limits of the Policy: The Maximum Benefit Period is 24 months for each period of Disability caused or contributed to by a Mental Disorder. This 24 month limitation will not apply if the Maximum Benefit Period Endorsement is part of your policy.

This Policy does not provide any benefit for any Disability:

- sustained during war or act of war (whether declared or undeclared).
- sustained during participation in a riot or insurrection.
- caused by any intentionally, self-inflicted injury.
- sustained during the Insured's commission of, or attempt to commit, a felony or while engaged in an illegal occupation.

The Policy does contain a provision which may not cover a Disability which is traceable to a condition existing prior to the effective date of the Policy.

There may be other exclusions or limitations associated with riders or endorsements if any are attached to your policy.

Radius Choice (policy form #XLIS-RC-15 (NY)) is issued by Massachusetts Mutual Life Insurance Company, Springfield, MA 01111-0001. For cost and complete details of coverage, please call your MassMutual representative or MassMutual at 1-800-272-2216 (press 3) to be referred to a representative in your area.

New York policies: This policy provides disability income insurance only. It does NOT provide basic hospital, basic medical or major medical insurance as defined by the New York State Insurance Department. The expected benefit ratio for this policy is 50.7 percent. This ratio is the portion of future premiums which the company expects to return as benefits, when averaged over all the people with this policy.

