Savings and Disability

Disability income (DI) insurance may be last on your list of insurance products to buy, but if you become too sick or hurt to work and do not own a DI insurance policy, everything that relies upon your income (mortgage, family expenses, retirement, etc.) will come out of pocket– **your pocket**.

Option A – Savings

Assumptions:

- Male
- Age 30
- Salary: $250,000
- **Savings:** 5% per year ($12,500)
- **Monthly Expenses:** $13,000

One year of expenses due to a disability

$156,000

($13,000 x 12 = $156,000)

Wipes out nearly

13 Years of savings

($12,500 x 13 = $162,500)

Years Disabled	Total Expenses	Approximate Years of Savings Needed
1	$156,000	13 years
2	$312,000	25 years
3	$468,000	38 years
4	$624,000	50 years

NOT FOR USE IN CALIFORNIA, FLORIDA, NEW MEXICO, OR NEW YORK.

Option B – Purchase DI Insurance

Assumptions:

- Male
- Age 30
- Salary: $250,000
- Radius Choice
- 5A/3 occupation class
- 90 day waiting period
- Benefit period to age 65
- $11,800 monthly benefit

Annual Benefit **$141,600**

$1,797
Annual premium

One year of benefits = 78 years of premiums

The sample rate shown is for a male.
DI insurance costs for a female using the same parameters are $2,718.
For a female, 1 year of benefits would equal 52 years of premiums.

Years of Premiums	Total Premiums Paid	Duration of Benefits Received to Break Even
1	$1,797	5 days
5	$8,985	23 days
10	$17,970	1 month, 16 days
15	$26,955	2 months, 10 days
20	$35,940	3 months, 3 days

Hypothetical example. Actual numbers may be higher or lower depending on several factors including gender and occupational class.
The sample shown is for a male. For a female using the same parameters would be as follows:
1 year of premium equals $2,718 with a break-even point of 7 days.
5 years of premiums equals $13,590 with a break-even point of 1 month, 5 days.
10 years of premiums equals $27,180 with a break-even point of 2 months, 9 days.
15 years of premiums equals $40,770 with a break-even point of 3 months, 14 days.
20 years of premiums equals $56,360 with a break-even point of 4 months, 18 days.

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 may be required depending on the amount of monthly total disability benefit being requested.

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. (Not applicable in VT). 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:

- during a period of legal incarceration in a penal or correctional institution of more than 7 days or during a period of legal detainment of more than 7 days. (Not applicable in ND). Also, this time does not apply for completion of the Waiting Period.
- sustained during declared war or undeclared war or act of war.
- sustained during participation in a riot or insurrection.
- caused by any intentionally, self-inflicted injury (Not applicable in MT).
- sustained during the Insured's commission of, or attempt to commit, a felony under local, state or federal law, or while engaged in an illegal occupation (in MT: to which a contributing cause was the Insured's commission of, or attempt to commit, a felony or to which a contributing cause was the Insured's being engaged in an illegal occupation).
- that results from, or is contributed to, by a disease, disorder or physical condition that was excluded as a result of the underwriting process by name or specific description.

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 et al and ICC15-XLIS-RC in certain states including North Carolina) is issued by Massachusetts Mutual Life Insurance Company. Policies have exclusions and limitations. 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.