



LTD PLAN

YourBenefits@AGlance

Please see your contract for complete details.

Plan Code: Principal 05-2004 to 05-2022

PAYCHECK PROTECTION - If you had a goose that laid golden eggs, would you insure the goose or the eggs? Your capacity to earn an income is one of your most valuable assets. A Long Term Disability Plan (LTD) is design to provide an income if you become sick or hurt for an extended period of time. Would a loss of your earning capability change your lifestyle? Usually your income stops - your expenses continue - and your future is sacrificed to pay for the present.

- At age 35, 1 out of every 4 can expect to be disabled for six months or longer during our career.
- Someone age 35 making \$3,000 a month **with no raises ever** will earn \$1,080,000.00 by age 65.
- When disability strikes, Social Security Disability approves less than 19% of all first-year claims. State Disability (California) pays approx. 60% up to \$1540 a week for a maximum of 52 weeks.
- Purchasing individual LTD plans are subject to strict underwriting requirements and can be very expensive.

Disability Definition

If because of sickness or injury you are unable to perform all the material and substantial duties of your regular occupation or you are performing at least one of the material duties of your regular occupation or any occupation on a part time or full time basis; **or** earning at least 20% less than your pre-disability income (partial disability.) *Please see contract.*



Elimination Period

You must be either partially or totally disabled for **90** consecutive days before you will be eligible to receive benefits. (A 45-day interruption" feature is included.)

Income Replacement Amount

A monthly benefit of **60%** of your pre-disability earnings integrated with (if applicable) SDI, Workers Compensation and Social Security. Maximum monthly benefit payable is **\$5,000**. Benefits are **payable to age 65** if your age is less than 60 at disablement. If age 60 or older, a graduated benefit duration will apply.



Pre-existing Conditions

You are not subject to evidence of insurability to enroll in plan. The pre-existing condition limitation states if you received diagnosis, treatment or prescribed drugs during the 3 months prior to your effective date for a condition, we will not pay benefits for a disability that begins in the first 12 months of coverage, if it is caused by, or contributed to by the pre-existing condition

Additional Features

- A 3-month Survivor Benefit equal to three times the last regular monthly LTD benefit.
- Payment of premiums is never required for any period of disability during which benefits are payable.
- Maternity covered as any other condition.