



Disability Insurance

Protect Your Ability to Earn an Income

If your paycheck stopped, how would you buy groceries...make the car payment...pay the rent or mortgage?

Most financial experts agree: Your ability to work and earn an income is your greatest asset. Yet many Americans have done little to protect their paycheck from income loss caused by a serious injury or illness.

Did you know?

In one year's time, the odds¹ are:

- 1 out of 5 that your car will be damaged in an accident
- 1 out of 21 that you will have a disabling accident
- 1 out of 96 that your house will catch on fire

The vast majority of homeowners protect themselves against fire with homeowner's insurance. Most states mandate drivers carry car insurance. But when it comes to a disability, too many Americans have left themselves unprotected.

That's why your employer is offering you the opportunity to enroll in a disability insurance program available at affordable rates. This coverage can boost your financial safety net by replacing a portion of your income if an accident or illness leaves you unable to work and earn an income.

Benefit checks are sent directly to you, helping you pay the bills and support your family while you're unable to work.

Don't miss out!

Find out how much disability insurance you need with the disability needs calculator on the reverse side. Learn how disability benefits can help you make ends meet if you can't work.

¹Field Guide 2005, National Safety Council, World Almanac

How much disability insurance do you need?

Would you be able to maintain your standard of living if you were too sick or hurt to work? Probably not. One-third of working adults say their families could live for only three months or less on their savings and other income if the primary wage earner lost his or her income due to a disability².

That's why disability insurance is one of the most important parts of any financial plan. It can help assure that you and your family will have the income you need to live on.

How much disability insurance would you need to help pay monthly expenses? Use this chart or log on to www.principal.com to use our online disability insurance calculator.

DISABILITY INSURANCE CALCULATOR		MONTHLY		
Part A	Expenses	\$		
	• Mortgage/rent (including property taxes, association dues and other fees)			
	• Utilities (electricity, gas, water, phone, cable, Internet, waste management)	\$		
	• Food/household supplies (groceries, supplies and dining out)	\$		
	• Car payments/expenses (include gas and maintenance costs)	\$		
	• Credit card/loan payments (include student loans and home equity loans)	\$		
	• Insurance premiums (medical, dental, life, auto, homeowner's and other types of insurance)	\$		
	• Childcare (daycare, school lunches and special interest or events)	\$		
	• Savings/investment funds (retirement, college, emergency fund)	\$		
	• Other monthly expenses (clothes, entertainment, etc.)	\$		
Total A		\$		
Part B	Income Sources	\$		
	• Existing disability insurance			
	• Other income sources (spouse take-home salary, rental income, etc.)	\$		
Total B		\$		
YOUR DISABILITY INSURANCE GAP				
Part A Expenses		Part B Income Sources		Disability Insurance Gap
	–		=	

This chart includes examples of typical expenses. Everyone's needs are unique. Your financial or tax advisor can help you determine your total need for disability insurance.

²Source: Health Insurance Association of America, 2004



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