

Simplified Disability Income Insurance

AssurityBalance®

Idaho




Assurity®
Life Insurance Company

AssurityBalance® Simplified Disability Income Insurance

Could it happen to you?

No one wants to think about sustaining an injury or becoming seriously ill and being unable to work, but it could happen to you. Amazingly, over one in four of today's 20-year-olds will become disabled before reaching age 67.¹ Besides the physical challenges, not being able to earn a paycheck – even for a short period of time – can impact your life and lifestyle for years to come.

Plan now to help protect your most valuable asset

An AssurityBalance Simplified Disability Income (DI) Insurance policy can help protect your financial stability if you are unable to work due to a disability. The policy pays you a monthly benefit to help you pay your bills until you get back to work. Our DI policy can also be structured to work with any group DI you have from your employer to provide you with 100 percent of your salary if you become disabled. You choose the length of the benefit period – six months, one or two years. Make the smart choice now to help protect your most valuable asset!

AssurityBalance Disability Income Insurance is simply a great way to safeguard your income!

What's your most valuable asset?

- ☐ Home
- ☐ Business
- ☐ Automobile
- ☐ Retirement fund

None of the above!

Far more valuable than any possession is your ability to work and earn a lifetime of paychecks, which fund:

- ✓ The mortgage
- ✓ Car expenses
- ✓ Medical care and health insurance
- ✓ Credit card payments
- ✓ Utilities
- ✓ Child care
- ✓ Groceries
- ✓ Retirement and college savings



What if you were injured or seriously ill and couldn't work?

How would you pay these bills?

Borrow money – without an income it might be difficult to qualify for a loan.

Rely on savings – even if you routinely save 10 percent of your annual income, a year-long disability could wipe out 10 years of savings.

Live on your spouse's salary – if you are like most families, your budget and bills depend on two salaries.

Sell your possessions – this is a one-time option, and you might not be able to get top-dollar for your assets in an emergency sale.

Depend on Social Security disability coverage – only 35 percent of these disability applicants are approved,² and they must wait five months for any benefits to begin. The average Social Security disability monthly benefit in the recent past was \$1,070.³

Policy Highlights

Issue ages: 18 through 59 (age last birthday)

Elimination period: 30, 60, 90 or 180 days

Monthly benefit: \$300 - \$3,000 (maximum 60 percent of income)

Benefit period: 6 months, 1 or 2 years

Renewability: Guaranteed renewable to age 67; conditionally renewable to age 70

Premiums: Male/female, tobacco/non-tobacco, age bands – 18-39, 40-49, 50-59

Riders Available (for additional premium)

Critical Illness Benefit Rider: Pays a lump-sum benefit (\$5,000 or \$10,000 directly to you at the diagnosis of a covered illness including heart attack, stroke or invasive cancer.

Retroactive Injury Benefit Rider: Pays benefits from day one when a total disability is the result of an injury.

Return of Premium Rider: Pays 100 percent of premiums back to you (less any benefits received) when policy expires at age 67.

¹ Social Security Basic Facts, October 18, 2011

² Social Security Annual Statistical Supplement, 2010

³ Social Security Administration, Fact Sheet 2011

LIMITATIONS

Total Disability Benefits

Assurity will only pay monthly benefits while you are totally disabled or to the end of the maximum benefit period, whichever is first. Monthly benefits will be paid for only one of two or more concurrent total disabilities. A total disability from the same sickness or injury is subject to one maximum benefit period. Assurity will not pay for both sickness and injury for the same period of total disability. If you receive social insurance benefits, Assurity will reduce the monthly benefit, up to 50 percent, by the amount of the social insurance benefits you receive. Social insurance benefits include Social Security Disability Benefit, Workers' Compensation, Government Retirement and Disability Fund Benefit, and Railroad Retirement Disability Income. A recurrent total disability is considered a continuation of a prior total disability if it is separated from the ending date of the prior total disability by a period of continuous, full-time employment of less than six months. A recurrent total disability is not subject to a new elimination period, nor does it result in the start of a new maximum benefit period. A recurrent total disability is considered a new total disability if it is separated from the ending date of the prior total disability by a period of continuous, full-time employment of six months or more. A new total disability is subject to a new elimination period and starts a new maximum benefit period.

Monthly benefits are not payable for total disability if:

- the disability is due to an injury and begins more than 30 days after the injury; or
- you are working for wage or profit during a period of total disability.

If you are totally disabled at age 70 and Assurity has paid monthly benefits less than the maximum benefit period for such total disability, monthly benefits will continue only to the end of the maximum benefit period or to your age 71, whichever occurs first. In no event will a monthly benefit be paid beyond your age 71.

Partial Disability Benefits

Assurity will pay you 50 percent of the amount of the total disability monthly benefit shown on the Policy Schedule if you are partially disabled. Partial disability starts when you resume employment

immediately after a paid period of total disability. Your employment must be for 20 hours a week or less and the total disability must have lasted for one month or the length of the elimination period, whichever is longer. Partial disability payments count toward the maximum benefit period for total disability and will not be paid for a period greater than six months. If your partial disability is payable for a period less than a full month, Assurity will pay one-thirtieth of the partial disability monthly benefit for each day of partial disability.

Critical Illness Benefit Rider No. R 10711

Assurity will pay this benefit if you receive a first ever diagnosis for one of the critical illnesses shown in the rider if:

- the date of diagnosis is after the 30-day waiting period;
- the date of diagnosis is while coverage under the rider is in force; and
- the specified critical illness is not excluded by name or specific description in the rider.

The benefit payable for Carcinoma in Situ is 25 percent of the rider's benefit amount, payable once per lifetime. If the date of diagnosis of two or more specified critical illnesses is the same day, Assurity will pay only one specified critical illness benefit. Assurity will pay the larger of the specified critical illness benefits. No benefits are payable for conditions other than the specified critical illnesses defined in the rider.

Retroactive Injury Benefit Rider No. R 10712

If an injury causes you to become totally disabled within 30 days of such injury, and you are continuously totally disabled from the date of your injury until the end of the elimination period shown on the Policy Schedule, Assurity will pay a benefit. The benefit is a lump sum amount equal to the total disability monthly benefit shown on the policy schedule times the number of days in the elimination period divided by 30. Assurity will pay the benefit at the end of the elimination period.

Return of Premium Rider No. R 10713

The Return of Premium benefit, if any, is the amount by which (a) the total of all premiums paid for the policy multiplied by the appropriate percentage in the Table of Return of Premium Percentages exceeds (b) the total of all benefits paid under the policy. There is no benefit available prior to the end of the fifth policy year. The Return of Premium benefit, if any, will be paid:

(a) upon your written request to cancel the policy; (b) upon lapse of the policy; (c) upon receipt of proof of your death; or (d) on the first renewal date after your 67th birthday. If you terminate the rider and the policy stays in force, no Return of Premium benefit will be paid. Assurity may require the surrender of the policy as a condition to the payment of its Return of Premium benefit.

Any premium waived under the Waiver of Premium provision of the policy will be considered a paid premium when determining the total premiums paid for the policy and also as a benefit paid when determining the total benefits paid under the policy. Upon payment of the Return of Premium benefit, the rider will terminate as of the date which the Return of Premium benefit is computed. Thereafter, it may not be reinstated once the Return of Premium benefit has been paid. Any benefits, which accrue under the policy after the Return of Premium benefit has been paid, will be payable only to the extent that such benefits exceed the amount of the Return of Premium benefit paid.

Pre-existing Condition

Assurity will pay no benefits for a total disability that is caused by a pre-existing condition, unless the total disability starts after the policy has been in force for six months from the issue date or for six months from the most recent reinstatement date. This provision also applies to riders attached to the policy, if any. In applying it, the word "rider" will be used in place of the word "policy."

Pre-existing condition means a sickness or physical condition for which, during the six months before the issue date, the insured person:

- had symptoms which would cause an ordinary prudent person to seek diagnosis, care or treatment; or
- received medical consultation, advice or treatment from a physician or had taken prescribed medication.

Foreign Travel

Assurity will only make three monthly benefit payments for any total disability sustained or continued outside the U.S. or Canada.

Elimination Period

The policy contains elimination periods. Assurity does not pay monthly benefits

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during the elimination period. Elimination period means the number of consecutive days you must be totally disabled before you are eligible to receive the monthly benefit.

Renewability

The policy is guaranteed renewable to age 67. That means as long as you pay premiums when due, Assurity cannot cancel or change your policy. Assurity can, however, change the premium rates after the policy has been in force for 12 months, but not more than once in a 12-month period. If Assurity changes the premium rates, we can only do it for all policies in your class. You will be given 31 days' notice by mail prior to any premium change. If you are over age 67 and employed on a full-time basis, you can continue to renew your policy up to age 70. You must be employed on a full-time basis on each renewal date. There will be a limited benefit period.

Termination

Coverage will terminate, and no benefits will be payable under the policy or any attached riders on the earliest of the following:

- when any premium due for this policy is not paid before the end of the grace period;
- the date Assurity receives your written notice to cancel unless you tell them a later date;
- when you establish residence in a foreign country;
- upon your death; or
- the due date of the first renewal premium following your 67th birthday, or, if you continue to be employed on a full-time basis after age 67, the due date of the first renewal premium following the date you cease being employed on a full-time basis. However, in no case will coverage extend past the due date of the first renewal premium following your 70th birthday; or

- For the Critical Illness Benefit Rider No. R I0711 and Retroactive Injury Benefit Rider No. R I0712 – the due date of the first renewal premium following your 65th birthday.

EXCLUSIONS

Assurity will not pay benefits for total disability that is caused by or is the result of you:

- being pregnant, experiencing pregnancy-related conditions (other than complications of pregnancy), giving birth or otherwise terminating pregnancy during the 10-month period immediately following the issue date;
- operating, learning to operate, or serving as a crew member of any aircraft;
- riding in or driving any motor-driven vehicle, while participating as a professional, in a race, stunt show or speed test;
- being exposed to war or any act of war, declared or undeclared;
- actively serving in any of the armed forces, or units auxiliary thereto, including the National Guard or Army Reserve;
- being addicted to drugs or suffering from alcoholism;
- being under the influence of an excitant, depressant, hallucinogen, narcotic, or any other drug or intoxicant, except for prescription drugs taken as prescribed;
- receiving injuries caused directly or indirectly while under the influence of a controlled substance or by intoxication as defined by the laws and jurisdiction of the geographical area in which the loss or cause of loss was incurred;
- having cosmetic surgery;
- having other elective procedures that are not medically necessary, including but not limited to organ donation and elective sterilization;

- having a mental and/or nervous disorder (A mental and/or nervous disorder is considered any disorder listed in the Diagnostic and Statistical Manual of Mental Disorders published by the American Psychiatric Association, excluding Alzheimer's disease, dementia, and organic brain damage caused by an accident or head trauma.);
- participating in or attempting to commit a felony;
- being incarcerated, or is caused while incarcerated in a penal institution or government detention facility;
- engaging in an illegal activity;
- self-inflicting an injury intentionally; or
- committing or attempting to commit suicide, while sane or insane.

Critical Illness Benefit Rider No. R I0711

Assurity will not pay benefits under the rider for conditions caused by or as the result of you:

- being addicted to drugs or suffering from alcoholism;
- being under the influence of an excitant, depressant, hallucinogen, narcotic, or any other drug or intoxicant, except for prescription drugs taken as prescribed;
- receiving injuries caused directly or indirectly while under the influence of a controlled substance or by intoxication as defined by the laws and jurisdiction of the geographical area in which the loss or cause of loss was incurred;
- participating in or attempting to commit a felony;
- being exposed to war or any act of war, declared or undeclared;
- actively serving in any of the armed forces, or units auxiliary thereto, including the National Guard or Army Reserve;
- being incarcerated in a penal institution or government detention facility;
- engaging in an illegal activity;
- self-inflicting an injury intentionally; or
- committing or attempting to commit suicide, while sane or insane.

DISABILITY INCOME POLICY AND OPTIONAL RIDERS: Policy Form No.

I D0710 (ID), Critical Illness Benefit Rider No. R I0711, Retroactive Injury Benefit Rider No. R I0712 and Return of Premium Rider No. R I0713.

For costs and complete details of the coverage, please contact your agent, Assurity Life Insurance Company or ask to review the policy for more information.

The policy may not be approved in all states. The policy and rider availability, rates and features may vary by state. This description of benefits is intended only to highlight the benefits and should not be relied upon to fully determine coverage. Please refer to the policy for a complete listing of benefits, limitations, exclusions, and a description of all the terms and conditions of coverage. If this description conflicts in any way with the terms of the policy, the terms of the policy prevail.